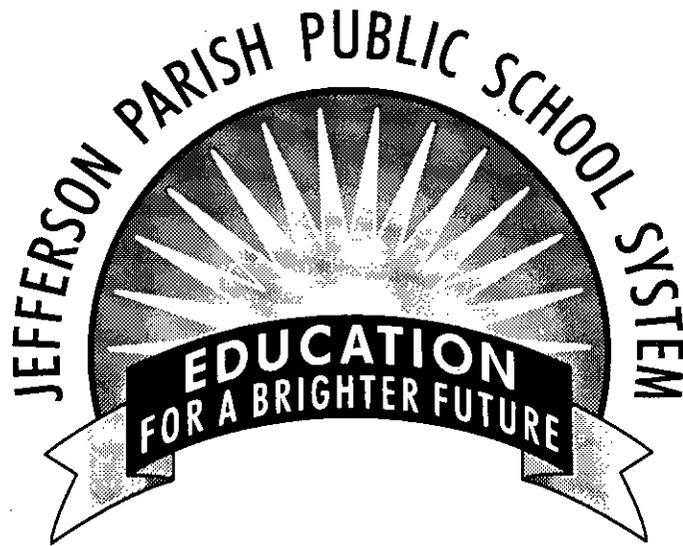


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# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM



## *Comprehensive Annual Financial Report*

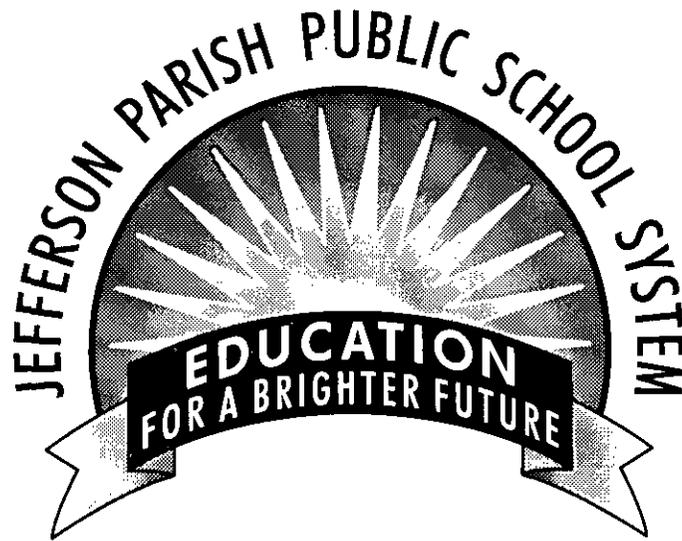
FISCAL YEAR ENDED JUNE 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the governing authority and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

501 MANHATTAN BOULEVARD  
HARVEY, LOUISIANA 70058-4495

Release Date 1-26-05

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM



## *Comprehensive Annual Financial Report*

FISCAL YEAR ENDED JUNE 30, 2004

Prepared By  
Business Services Department

501 MANHATTAN BOULEVARD  
HARVEY, LOUISIANA 70058-4495

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED JUNE 30, 2004

### TABLE OF CONTENTS

#### INTRODUCTORY SECTION

Transmittal Letter	i
Organizational Chart	xi
School Board and Administrative Officials	xii
ASBO Certificate of Excellence in Financial Reporting	xiii
GFOA Certificate in Achievement for Excellence in Financial Reporting	xiv

#### FINANCIAL SECTION

<u>Statement</u>	<u>Page</u>
Independent Auditors' Report	1
<i>Required Supplementary Information</i>	
Management's Discussion and Analysis (MD&A) - unaudited	3
<i>Basic Financial Statements</i>	
Government-wide Financial Statements (GWFS)	
A    Statement of Net Assets	11
B    Statement of Activities	12
Fund Financial Statements (FFS)	
Governmental Funds:	
C    Balance Sheet	14
D    Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	16
E    Statement of Revenues, Expenditures, and Changes in Fund Balances	17
F    Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances to Statement of Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual:	
G-1    General Fund	19
G-2    Elementary and Secondary Education Act of 1965 (Title I)	20
Proprietary Fund:	
H    Statement of Net Assets	21
I    Statement of Revenues, Expenses, and Changes in Net Assets School Lunch Enterprise Fund	22
J    Statement of Cash Flows - School Lunch Enterprise Fund	23
Fiduciary Fund:	
K    Statement of Fiduciary Assets and Liabilities	24
Notes to Basic Financial Statements	25

TABLE OF CONTENTS, CONTINUED

SUPPLEMENTAL INFORMATION

	<u>Page</u>
<i>Combining and Individual Fund Financial Statements and Schedules</i>	
General Fund	
Schedule of Revenues Compared to Budget (Non-GAAP Budgetary Basis)	48
Schedule of Expenditures Compared to Budget (Non-GAAP Budgetary Basis)	49
Non-Major Governmental Fund Descriptions	52
Combining Non-Major Governmental Funds	
Combining Balance Sheet	54
Combining Balance Sheet – Special Revenue	55
Combining Balance Sheet – Debt Service	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	59
Combining Statement – Special Revenue	61
Combining Statement – Debt Service	67
Special Revenue Funds	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual	
Adult Education Fund	68
Community Education Fund	69
Agency Funds	
Description of Funds	70
Combining Statement of Changes in Assets and Liabilities	71
Description of Other Supplemental Information	73
Schedule of Compensation Paid to School Board Members	74

**STATISTICAL SECTION  
(Unaudited)**

Table

	<i>Government-wide Information:</i>	
1	Government-wide Expenses by function – Last Ten Fiscal Years	75
2	Government-wide Revenues – Last Ten Fiscal Years	77
	<i>Fund Information:</i>	
3	General Governmental Expenditures by Function - Last Ten Fiscal Years	78
4	General Governmental Revenues by Source - Last Ten Fiscal Years	79
5	Property Tax Levies and Collections - Last Ten Fiscal Years	80
6	Assessed Taxable Value by Type of Property - Last Ten Fiscal Years	82
7	Property Tax Rates - All Direct and Overlapping Governments (Per \$100 of Assessed Value) - Last Ten Fiscal Years	84
8	Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita - Last Ten Fiscal Years	85
9	Computation of Legal Debt Margin	87
10	Computation of Direct and Overlapping Debt	88
11	Ratio of Annual Debt Service for General Bonded Debt to Total General Expenditures - Last Ten Fiscal Years	89
12	Demographic Statistics - Last Ten Fiscal Years	90
13	Property Value and Construction – Last Ten Fiscal Years	91
14	Principal Taxpayers	93
15	Miscellaneous Information	94

**STATE REPORTING SECTION**

	Independent Accountant’s Report on Applying Agreed-Upon Procedures	95
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Schedule

1	General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	98
2	Education Levels of Public School Staff	99
3	Number and Type of Public School	100
4	Experience of Public Principals and Full-Time Classroom Teachers	101
5	Public School Staff Data	102
6	Class Size Characteristics	103
7	Louisiana Educational Assessment Program (Leap) for the 21 <sup>st</sup> Century	104
8	The Graduation Exit Exam for the 21 <sup>st</sup> Century	105
9	The Iowa Tests	106



**INTRODUCTORY SECTION**



**SUPERINTENDENT'S OFFICE**  
**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

501 MANHATTAN BOULEVARD  
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(504) 349-7802  
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**DIANE M. ROUSSEL, Ph.D.**  
SUPERINTENDENT

December 2, 2004

Honorable Board Members  
Jefferson Parish Public School system  
501 Manhattan Boulevard  
Harvey, Louisiana 70058

Members of the Board and Citizens of Jefferson Parish:

The Comprehensive Annual Financial Report (CAFR) of the Jefferson Parish School System (School System) for the fiscal year ended June 30, 2004 is submitted herewith. The CAFR was prepared by the School System's Business Services Division. This report, conforms to generally accepted accounting principles and standards for financial reporting as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School System. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the School System. Furthermore, we believe that all disclosures necessary to enable the reader to gain an understanding of the School System's financial activities have been included.

The CAFR is presented in four sections: (1) introductory, (2) financial, (3) statistical, and (4) state reporting. The introductory section includes this transmittal letter, the School System's organizational chart, and a list of principal officials. The financial section includes management's discussion and analysis, the government-wide financial statements and the combining and individual fund financial statements and other supplemental information. The School System's independent certified public accountants, Deloitte & Touche and Rebowe & Company, have examined the accompanying financial statements, and their opinion is included in the financial section. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The state reporting section includes a review of financial and student data reported annually to the Louisiana Department of Education. The Management's Discussion and Analysis beginning on page 3 provides an overall review of the School System's activities for the year ended June 30, 2004. The School System is required to undergo an annual single audit in conformity with provisions of the Single Audit Act Amendments of 1996 and U. S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and independent auditors' reports on the internal control over financial reporting and on compliance with the requirements applicable to each major program and the internal control over compliance in accordance with A-133 are included in a separate report.

## THE REPORTING ENTITY

The Jefferson Parish Public School system is an independent special district created for the purpose of providing elementary and secondary education to the citizens of Jefferson Parish, Louisiana. The School System is the second largest district in the state and is ranked in the top 100 nationally in student enrollment.

The FY 2003/2004 student count was 50,526. The Jefferson Parish School System operates 85 schools located on both sides of the Mississippi River. Approximately 50,000 students are transported daily by a fleet of 520 buses. The School System employs 3,928 teachers.

The School System is governed by a nine-member school board (Board) elected by the citizens of Jefferson Parish. Each member is elected to a four-year term, and the terms are concurrent. See page xii for a listing of the present members of the Board along with the administrative officials who are appointed by the Board.

Regular meetings are scheduled the first Wednesday of the month and are held in the School System's Administration Building. Special meetings are scheduled as needed and announced in compliance with public notice requirements.

The Board has final control over local matters limited only by the state legislature, by the courts, and by the will of the people as expressed in School Board elections. Board decisions are based on a majority vote of those present.

In general, the Board adopts policies, sets direction for curriculum, employs the superintendent, and oversees the operations of the School System and its schools. Besides general Board business, board members are charged with numerous statutory regulations including calling board and other school elections and canvassing the results of elections, organizing the Board, and electing its officers. The Board is also responsible for setting the ad valorem tax rate, setting salary schedules, acting as a board of appeals in personnel and student matters, confirming recommendations for textbook adoptions, and adopting and amending the annual budget.

The Board solicits and evaluates community input and support concerning school policies.

The basic financial statements of the School system include the accounts of all School System operations. *These financial statements present the School System as the primary government.*

The School System has one component unit, the Jefferson Community Charter School, which is presented as a discretely presented component unit. The Jefferson Community Charter School is included in the reporting entity because it is fiscally dependent on the School System. The purpose of the Charter School is to provide an alternative middle school for at-risk public school students in the sixth, seventh and eighth grades who have been expelled from the parish public school system, to learn appropriate behavioral and academic skills enabling them to return as functioning, responsible participants in the public middle and high school.

## MISSION

The School System's adopted mission is:

...to be an extraordinary school system by building an environment of excellence, effectiveness, and efficiency that supports the success of our students, our communities, and our employees.

The Jefferson Parish Public School System is a system that respects individuals, demands excellence, fosters life-long learning, and supports relationships that strengthen family and community. The School System is working to make the students of Jefferson Parish active participants in a global economy and in a changing world.

The Jefferson Parish Public School System envisions and seeks a positive, productive relationship with its stakeholders, as it attempts to restore meaning to the value of public education.

To accomplish its mission, the School System provides a full range of educational services appropriate to grade levels ranging from pre-kindergarten through adulthood. These include regular and enriched academic education, special education for children with disabilities, vocational education, and special programs for those with limited English proficiency. These programs are supplemented by a wide variety of offerings in the fine arts and athletics.

We, in the Jefferson Parish Public School System, recognize the challenges we face as we prepare students for the 21<sup>st</sup> century. The demands placed upon us as we begin the new millennium have increased. We must not only prepare our children to read, write, and do arithmetic, we must prepare them to live in a fast-changing, technologically-driven, globally competitive world. We must assist those who don't succeed academically providing skills that are marketable in our metropolitan area since they will not find employment as unskilled laborers as those jobs have moved overseas or have been eliminated. We must teach our children to be problem-solvers, to be prepared for the challenge of an increasingly complex world that will require them to keep growing and changing with it.

To meet this very demanding role, we have developed an academically rigorous curriculum that includes programs to enhance abilities of the gifted and talented as well as programs that prepare students for the world of work. Our high school academies prepare students for the world of employment by coordinating class work with real work experiences. We offer academies in the field of finance, travel and tourism, restaurant management, law-related careers, education, and health services. A credit union has been established at one of the high schools where students are encouraged to have actual bank accounts, deposit and withdraw their money, and learn hands-on how to deal with their personal finances. Our students have the opportunity to visit selected workplaces, to participate in internships during their senior year, and in some instances, to be placed in summer jobs.

We recognize that technological skills are critical for our students to be prepared. The School System maintains an advanced technology department, broadcasts from its own television station, and has recently opened a new school specializing in science and technology. Each of our 85 schools has computers in the classrooms and/or computer labs. All of our schools have Internet access. Our teachers and students have created web sites, used electronic bulletin boards, participated in electronic classrooms, and communicated via E-mail. The School System's website is an invaluable tool used to communicate important information

to our students, parents, teachers, and the community. The school district provides technicians for in-class technology support to promote incorporating technology into teaching and learning.

The School System's commitment to its mission is reflected in its allocation of financial resources. The 2004/2005 budget was adopted on June 16, 2004. Total expected budgeted expenditures for the General Fund are \$319,383,484. Projected revenues and other financing sources for the General Fund total \$322,254,736. The projected year-end fund balance for FY 2004/2005 is \$16,865,033.

## ACCOMPLISHMENTS

The Graduating Class of 2004 was offered approximately \$15,384,967 in scholarships.

The SAT scores for the Jefferson Parish School System continue to be well above the national average.

Jefferson Parish School System employs 29 teachers whom have earned National Board Certification.

Sixteen Jefferson Parish Schools have been awarded a combined \$333,000 in Accountability "Reward Funds" for showing either "exemplary" or "recognized" growth.

Seven schools received "Reward Funds" for the second consecutive Accountability Cycle.

John Ehret High School won the "We the People" competition in 2004.

Metairie Grammar Academy for Advanced Studies opened as the first magnet school in Jefferson Parish.

Jefferson Science and Technology School opened in August 2003.

In 2004-2005, two schools are entering their second pilot year of the Louisiana Teacher Advancement Program which ties teacher compensation to student achievement.

The Principals of the Year are as follows:

Connie Tiliakos – Riverdale High  
Frank Rawle – Ellender Middle  
Cis Bordelon – Fisher Elementary

The Teachers of the Year are as follows:

Paul Le Blank – L.W. Higgins High  
Suzan Serigny – Bunche Middle  
Suzanne Kloiber – Live Oak Manor Elementary

Support Personnel of the Year are as follows:

Tiffany Firven – L.W. Higgins High  
Christine Becnel – Riverdale Middle  
Beverly Pierce – McDonogh#26 Elementary

Students of the Year are as follows:

Brian Truong – Ehret High  
Adharsh Ponnappakkan – Meisler Middle  
Bo Tang – Birney Elementary

Bureau of Governmental Research (BGR) Recipients

Gerri Settoon – Strehle Elementary  
Diane Roussel – Superintendent

## INSTRUCTIONAL PROGRAM

The heart of the school system is a varied curriculum and a wide range of educational experiences offered from pre-kindergarten through adulthood for the community.

The core curriculum addresses English/language arts, mathematics, science, social studies, creative arts and physical education. Electives offered in secondary schools include foreign languages, art, music, vocational courses, computer science and computer literacy.

Programs for academically gifted students span pre-school through grade 12 and offer structured enrichment resources as well as specially designed elective classes.

Students receive specialized instruction to meet individual needs during the school year and some extended year programs. In addition to academics, students are taught skills to help them function in the community, including job counseling and placement. Support services provided include social work services, occupational, physical, and speech/language therapy.

Each ninth grade student completes a Career Path plan on which vocational electives are based. The Academy programs in each high school offer opportunities for young adults to explore careers of interest in depth.

Title I is a federally funded program designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular program, attain grade level proficiency, and improve achievement in basic and more advanced skills. These purposes are accomplished through academic instruction in the areas of reading/language arts and math, increased parental involvement and implementation of innovative programs.

Title II Dwight D. Eisenhower Professional Development Program's major goal is to improve the teaching and learning of all students by helping to ensure that teachers, and where appropriate, other staff and administrators, have access to sustained and intensive high-quality professional development that is aligned to challenging state content standards and challenging state student performance standards, and to support the development and implementation of sustained and intensive high-quality professional development activities in the core academic subjects; and helping to ensure that teachers, and where appropriate, administrators, other staff, pupil services personnel, and parents, have access to professional development.

Title VI Innovative Education Program Strategies is to support local education reform efforts which are consistent with and support statewide reform efforts under Goals 2000; Educate America Act; support state and local efforts to accomplish the National Education Goals; provide funding to enable state and local education agencies to implement promising educational reform programs; provide a continuing source of

innovation and an educational improvement, including support for library services and instructional and media material; and meet the special education needs of at-risk and high-cost students.

The goal of the Class-Size Reduction initiative is to help schools improve student achievement by adding additional, highly qualified teachers to the work force to ensure that class size – particularly in the early grades – is reduced to no more than 18 children per class.

Bilingual/ESOL Program – the English to Speakers of Other Languages program fulfills the school district’s obligation to develop and implement an alternative program which teaches language minority students English, provides them parity of access to instruction, and moves them into the regular educational program within a reasonable length of time. The goal of this program is to develop the students’ academic and conversational proficiency in English so that they can effectively participate in the educational program conducted exclusively in English. It employs the use of two languages, one of which is English, and instruction to the extent necessary for students to function effectively in the content classes. Currently the English to Speaker of Other Languages Program is implemented in 32 schools, serving 2,500 students, pre K-12, who represent 68 countries with 52 spoken languages.

Adult education provides instructional offerings in basic academic and life-long coping skills that will enable the adult student to continue an education. Students in the adult education program must be 16 years of age or older, must not be reenrolled in the K-13 system, and must have less than a high school education. Project Open Door, Project Independence, and classes in English as a second language in addition to basic education classes and pre-GED classes assist the adult in the ability to function more productively and responsibly in society.

## ECONOMIC CONDITIONS AND OUTLOOK

The school system has a tremendous financial impact on the community. It has in excess of 7,500 employees and an annual payroll in excess of \$191 million making it the second largest public employer in the parish. It also spends annually over \$40 million on goods and services. These funds are spent primarily with local businesses.

Jefferson Parish is the second most populated parish in Louisiana with the population showing a slight increase in 2004. Per capita income also rose in Jefferson and continues to be second highest of all Louisiana’s parishes and the state as a whole.

Jefferson Parish has a great deal to offer potential employers. It is located west of the City of New Orleans and is a wonderful collection of contrasts and similarities offering visitors and residents alike a kaleidoscopic view of a unique and fascinating region. It combines the vibrancy of New Orleans, the colorful intensity of Cajun country, and the serenity of peaceful bayous.

Future job growth in Jefferson Parish is expected to be concentrated most heavily in the service industry, especially professional services such as law, medicine, accounting, engineering and financial services. The oil and gas industry has shown considerable growth particularly along the Harvey Canal located on the West Bank of the Mississippi River. While Jefferson Parish offers all of the business amenities and services which commercial establishments look for, it also affords its residents a high quality of life—with good schools, low crime rates and plenty of recreation activities. The LaSalle Tract, located on Airline Drive is home to the training facility of the New Orleans Saints and Zephyr Stadium, a minor league baseball park, home to the AAA semi-professional New Orleans Zephyrs. The Tract has become a magnet

for family recreational activities and 47 acres are currently being developed into a nature preserve with walking trails, an amphitheater, a performing arts center and a multi-purpose building.

In addition, the Parish offers some of the finest medical care in the nation with world-renowned institutions staffed by pioneering physicians. The Parish provides oversight to two hospitals and six privately owned institutions provide a full range of services including acute care as well as specialized services such as oncology, high-risk maternity, chemical dependency, burn care and others.

Jefferson Parish is well on its way to becoming the future business and commercial hub of the Gulf South, but it has not forgotten its rich history nor neglected its abundant natural and scenic resources. It is a community where quality of life and progress go hand-in-hand. In an attempt to shed the label "bedroom community" which is so often applied to suburban areas on the perimeters of large cities, Jefferson has moved progressively forward with major office, shopping and industrial development complexes in the Parish.

There are no local personal or corporate income taxes in Jefferson Parish. Furthermore, there are no state ad valorem (property) taxes, and local property taxes are among the lowest in the nation.

For the tourist, Jefferson Parish is a popular home base from which to explore the fascinating environs of South Louisiana. Its modern, first class accommodations are competitively priced and offer a quiet, safe and affordable environment in which to enjoy the quaint charm and *joie de vivre* of the surrounding parishes. Jefferson is home to the Jean Lafitte National Park and the Bayou Segnette State Park, both of which are very popular with residents and tourists alike. While catering to family tourists, Jefferson Parish has an extensive collection of fine restaurants, many specializing in Creole and Cajun cuisine. Residents and tourists participate in the lively parades and celebration of the Mardi Gras season throughout Jefferson Parish.

Jefferson Parish encompasses some 359 square miles of land, from Lake Pontchartrain in the north and to the Gulf of Mexico in the south. It straddles the Mississippi River, which is 2,200 feet wide in the area with a bankside depth of 30 to 60 feet and a midstream depth, which attains 180 feet. The river is a great asset to the entire New Orleans Metropolitan area. It is the source of the drinking water supply. Approximately 310 billion gallons flow daily through Jefferson Parish, approximately the amount consumed daily in the continental United States. Our water rates are among the lowest in the nation. The climate permits year-round, outdoor activity for business as well as pleasure. It can be described as semi-tropical with the surrounding water modifying the temperature and decreasing the range between extremes.

Eleven institutions of higher learning are located in the New Orleans area and are easily accessible to Jefferson Parish residents. In addition, there are two theological institutions and several business, trade and technical school that prepare students for various occupations.

Improvements to the Courthouse Complex located in Gretna began in early 1999 with groundbreaking for an addition to the existing jail complex, completed in 2001 and has continued with the addition of four new buildings in various stages of completion and major renovations to another. A new six-floor administrative building, the Jefferson Parish General Government Building, houses the Parish's administrative personnel and was completed in early 2004. Ground was broken in early 2003 with completion slated for late 2004 for a new Second Parish Court building on the site of the Sheriff's old administration building. In addition, a Fifth Circuit Court of Appeals Building, whose construction began in 1999, was occupied in early 2001. A new building for the District Attorney was started 2000. It was heavily damaged by a fire in 2002 and was completed in the summer of 2003. The Gretna Courthouse Complex includes a high rise parking

garage which was completed in 2002 and has provided relief for the parking problems in the area. Major renovations are planned for the present Courthouse Annex that will house all divisions of the 24<sup>th</sup> Judicial District Court and will be renamed the Thomas F. Donelon Building. The improvements to the campus of the Courthouse Complex have sparked economic development in the downtown Gretna area in which it is situated.

The number of events held at the Alario Center, a 75,000 square foot amateur sports complex, has exceeded projections since its completion. It is located on the West Bank on the edge of Bayou Segnette State Park, a 600 acre state park and wetland area and during 2004 accommodated regional, national and international amateur sporting events, as well as conferences, conventions, trade shows, Mardi Gras functions, and Jefferson Parish School System graduation ceremonies. The New Orleans Hornets, an NBA basketball team, uses the Alario Center for its practice facility. On the grounds of the Alario Center, a state of the art baseball stadium was constructed which will be available for high school tournaments and other amateur events. A major college in the area schedules a number of games at the baseball stadium.

## FINANCIAL INFORMATION

### Accounting System and Budgetary Control

In developing and evaluating the School System's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concepts of reasonable assurance recognize that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the School System's internal accounting controls adequately safeguard assets and provided reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at a detailed level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors.

The school system emphasizes decentralized budgeting in order to enhance the ability of principals to serve as effective and efficient instructional leaders. In fiscal year 1987, the School Board gave principals, with input from subject coordinators, teachers, students and parents, the authority to spend the allocated financial resources to best meet the needs of their unique student groups. To accomplish this end, the School Board adopted a set of guidelines consistent with applicable State law. This system allows each school to determine its needs, establish budgets, and spend their financial resources according to their own timetable or reserve the funds for future years' needs. The vehicle for these actions is the Student Activity Fund. All monies due a school are deposited directly into each school's activity account at the beginning of each school year. The principal, using School Board adopted guidelines, operates his/her school according to his/her individually tailored educational plan. A major advantage of this system is that it gives principals direct control over resources vital to achieving educational success and in so doing makes it easier to assess accountability for goal achievement.

## Cash Management

During the year, the School System invested directly in instruments issued by the United States Government or its agencies created by an act of Congress, or in repurchase agreements backed by such instruments.

For purposes of maximizing interest earnings, cash balances of all funds are pooled, except where separate cash and investment accounts are mandated by legal requirements. This year's investment activities have shown a decline from the prior year resulting from historically low interest rates.

## Risk Management

Jefferson Parish is self-insured for general liability, auto liability, and workers' compensation insurance. As part of this program, resources are being accumulated in the General Fund to meet potential losses. In addition, various risk control techniques including an employee safety program and pre-employment physicals have been implemented to minimize accident-related losses. Risk financing is accomplished through the purchase of various insurance policies from commercial insurers.

The Management's Discussions and Analysis section beginning on page 3 provides an overall review of the School System's financial operations for the year and its financial position.

## OTHER INFORMATION

### Independent Audit

State law and School System policy require an annual audit of the books of account and financial records of the School System by independent certified public accountants selected by the School Board. The School System has complied with this requirement, and the independent auditors' report is included in this report.

### Awards

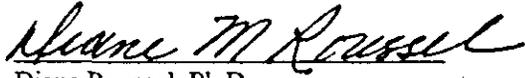
The Association of School Business Official International (ASBO) awarded a Certificate of Excellence in Financial Reporting, and the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Jefferson Parish Public School System for its comprehensive annual financial report for the fiscal year ended June 30, 2003. This was the 14<sup>th</sup> consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificates of Achievement is valid for a period of one year only. The School System believes that our current comprehensive annual financial report continues to meet the Certificate of Achievement Programs' requirements and will be submitted to ASBO and GFOA to determine its eligibility for another certificate.

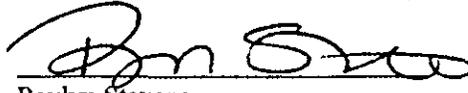
### Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance and Accounting Activity of the Business Services Division. We would like to express our appreciation to all members of the division who assisted and contributed to its preparation.

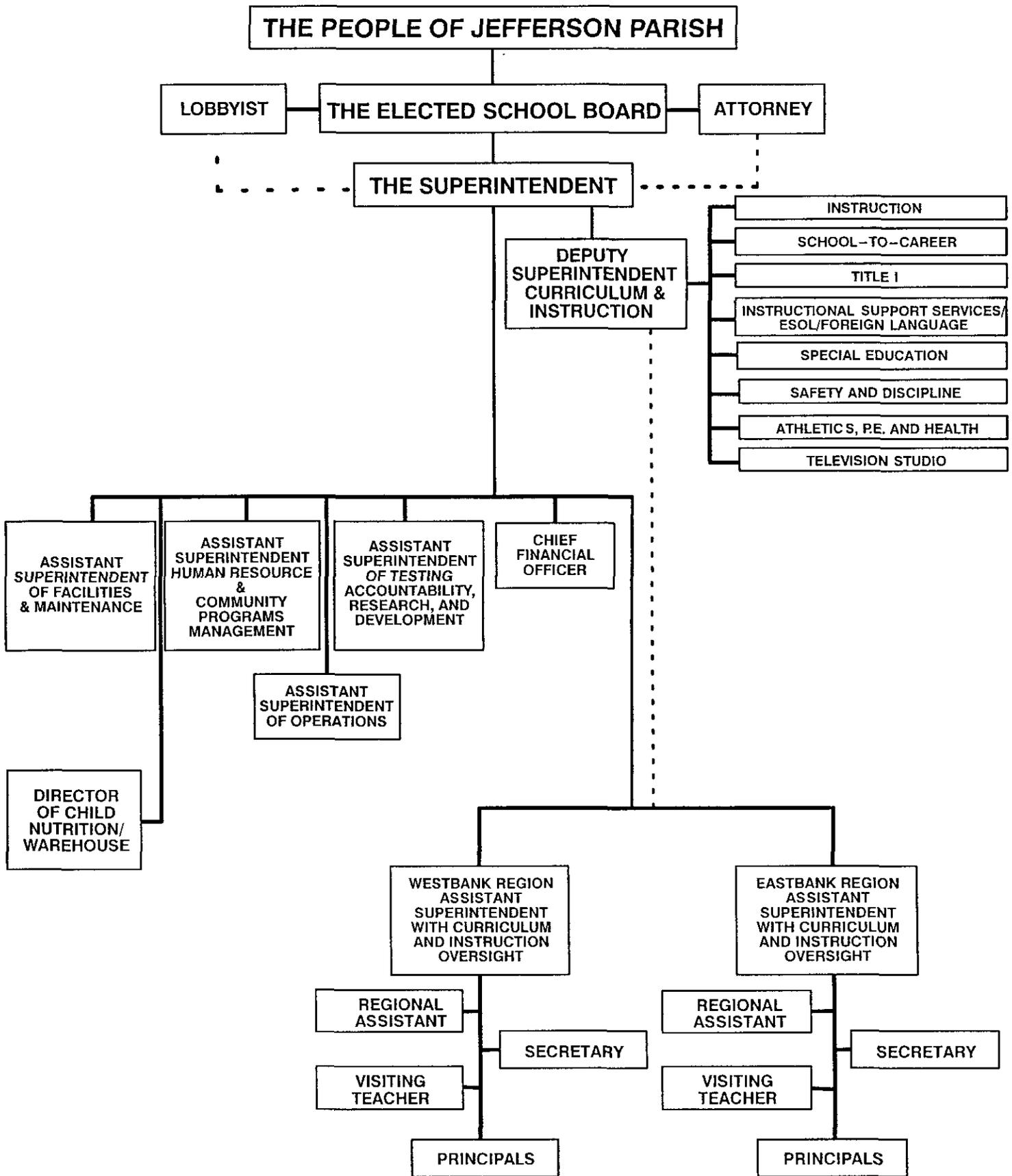
We also wish to thank the members of the School Board for their continued consideration and support, and for planning and conducting the financial operations of the School System in a responsible and progressive manner.



Diane Roussel, Ph.D  
Superintendent



Raylyn Stevens  
Chief Financial Officer



## SCHOOL BOARD

Name	Length of Service	Term Expires	Occupation
Gene Katsanis, President, District 9	10 years	December, 2006	Businessman
Ray St.Pierre, Member, District 3	5 years	December, 2006	Retired Public School Administrator
Mark Morgan, Member, District 1	1 year	December, 2006	Attorney
Bill Boustead, Member, District 2	1 year	December, 2006	Attorney
Julie Quinn, Member, District 4	3 years	December, 2006	Attorney
Karen M. Barnes, Member, District 5	5 years	December, 2006	Former Teacher/ Reservist
Martin Marino, Member, District 6	23 years	December, 2006	Retired School Principal
Libby Moran, President, District 7	9 years	December, 2006	Former Teacher/ Businesswoman
Mrs. Judy Colgan Member, District 8	4 years	December, 2006	Social/Political Activist

## ADMINISTRATIVE OFFICIALS

Name	Position
Dr. Diane Roussel	Superintendent
Raylyn Stevens	Chief Financial Officer
Mary Ehret	Deputy Superintendent, Curriculum and Instruction
Dr. Leigh Barton	Assistant Superintendent, Research Accountability and Assessment
Ronald Ceruti	Assistant Superintendent, Human Resources and Community Program Management
Paul Emenes	Assistant Superintendent, East Bank Region
George Hebert	Assistant Superintendent, West Bank Region
David Taylor	Assistant Superintendent, Facilities and Maintenance
Barbara Adams	Assistant Superintendent, Special Programs
Isaac Joseph	Assistant Superintendent, Federal Programs
Wendy Mangiaracina	Assistant Superintendent, Operations



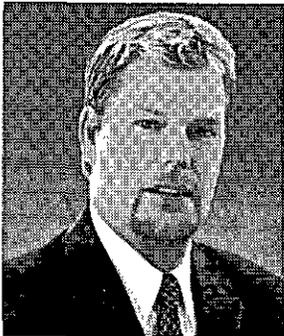
**GENE KATSANIS**  
President, District 9



**DR. DIANE M. ROUSSEL**  
Superintendent



**RAY ST. PIERRE**  
Vice-President, District 3



**MARK C. MORGAN**  
District 1



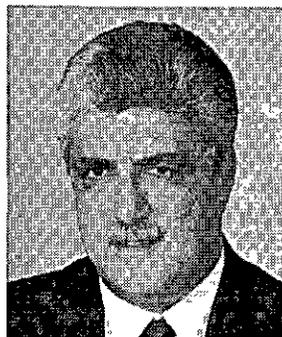
**WILLIAM H. BOUSTEAD**  
District 2



**JULIE QUINN**  
District 4



**KAREN M. BARNES**  
District 5



**MARTIN B. MARINO**  
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District 8

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2003

Upon recommendation of the Association's Panel of Review which has judged the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

*William A. Fall*  
President

*Barbara W. Keller*  
Executive Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jefferson Parish  
Public School System,  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Ziehl*

President

*Jeffrey R. Emsw*

Executive Director



**FINANCIAL SECTION**

## Deloitte & Touche LLP

701 Poydras Street  
Suite 3700  
New Orleans, Louisiana 70139  
(504) 581-2727

## Rebowe & Company CPAs, APC

3501 N. Causeway Boulevard  
Suite 810  
Metairie, Louisiana 70002  
(504) 837-9116

### INDEPENDENT AUDITORS' REPORT

Members of the School Board of  
Jefferson Parish, Louisiana:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Jefferson Parish Public School System as of June 30, 2004 and for the year then ended, which collectively comprise the Jefferson Parish Public School System's basic financial statements, as listed in the foregoing table of contents. These financial statements are the responsibility of the Jefferson Parish Public School System's management. Our responsibility is to express opinions on the respective financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("generally accepted auditing standards") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the respective financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Jefferson Parish Public School System as of June 30, 2004, and the respective changes in financial position and respective cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and Elementary and Secondary Education Act of 1965 (Title I) for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 3 through 10 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the Jefferson Parish Public School System's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit such information and we do not express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the Jefferson Parish Public School System's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. This supplementary information is the responsibility of the Jefferson Parish Public School System's management. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly presented in all material respects when considered in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 29, 2004 on our consideration of the Jefferson Parish Public School System's internal control over financial reporting and on our tests of its compliance and other matters. The purpose of that report is to describe the scope of our testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Deloitte & Touche LLP*

October 29, 2004

*Rebowe & Company*

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

The Management's Discussion and Analysis (MD&A) of the Jefferson Parish Public School System's financial performance provides an overall review and an objective, easily readable analysis of the School System's financial activities for the fiscal year ended June 30, 2004. The intent of the MD&A is to look at the School System's overall financial performance and to assist readers in assessing the financial position as a result of the year's operations. Therefore, readers should read the MD&A in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal in the Introductory Section, the School System's Financial Statements beginning on page 11, and the Notes to the Financial Statements.

### FINANCIAL HIGHLIGHTS

- The assets of the School System exceeded its liabilities at the close of 2004 by \$41.6 million. The deficiency of \$44.2 million of "invested in capital assets, net of related debt" represents the School System's book value of its fixed assets (less accumulated depreciation) net of the current balances of debt incurred to acquire or improve the capital assets. It is the accumulation of years of investments in capital projects and related debt.

Over the past 20 years, the School System has issued debt exclusively for capital improvements. The School System has 85 school sites and a large percentage of the System's buildings are older and consequently are substantially depreciated. Most of the capital improvements in recent years have pertained to replacement of roofs, renovation of bathrooms and other routine renovations necessary to maintain aged facilities. In spite of the age of the School System's facilities, schools within the system are well maintained and are in a physical condition conducive to the educational process.

- The School System's total net assets increased by \$36.3 million in 2004 because total revenues exceeded total expenses by that amount due to increased property tax revenues collected in anticipation of teacher pay raises to be effective in the subsequent fiscal year. Net assets of the governmental activities increased by \$35.2 and net assets of the business-type activities increased by \$1.1 million.
- The School System's Property Tax revenue collections increased by \$19.5 million or 71.7%. This substantial increase can be attributed to a new 9 mill dedicated Property Tax approved on October 2003 by the voters of Jefferson Parish. The importance of this tax is to provide a reliable stream of recurring funds to counter balance the volatile nature of a Sales and use tax.
- Gross Sales and use tax revenue collections increased over prior year's collections by \$4.4 million. A portion of the gross sales tax collections is dedicated for the purpose of debt service and capital improvements. The Jefferson Parish Public School System pays a 9.5% collection fee to the Jefferson Parish Sheriff's Office on general collections as set forth in the state constitution.
- The Minimum Foundation Program (MFP) distribution from the state, increased \$3.7 million. This MFP is a block grant that establishes a standard of local support for each school system based on the state average local support relative to the system's capacity to raise local funds.

- Expenses have increased by \$44.1 million or 12.78%. Salaries for both certificated and support staff increased as mandated by the state. Benefits increased for all employees in the areas of Health Insurance and Retirement. These benefits are administered by the Louisiana Office of Group Benefits (OGB) and the Teachers' Retirement System of Louisiana (TRS) respectively and contribution rates are required by State statute.
- As of the close of the current year, the School System reported a combined ending fund balance of its governmental funds of \$124.3 million. The fund balance of the combined governmental funds increased by \$14 million from the prior year's ending fund balance. Of the \$124.3 million fund balance, \$47.1 million is considered unreserved at June 30, 2004, although a portion is designated for capital additions and improvements. Approximately \$77.2 million is restricted for specific uses, including, \$17.4 million which can only be expended for the purpose of teacher raises as set forth by the dedicated 9 mill property tax.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the School System's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the School System's finances, in a manner similar to a private sector business.

The *statement of net assets* presents information on all of the School System's assets and liabilities, with the difference between the two reported as *net assets* or *deficiency in net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School System is improving or deteriorating. The causes of the change in net assets may be the result of many factors, both financial and non-financial in nature. Non-financial factors which may have an impact on the School System's financial condition include the property and sales tax base, student enrollment, state mandated educational programs for which little or no funding is provided, or other external factors.

The *statement of activities* presents information showing how the School System's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused leave for vacations and sabbaticals).

Both of the government-wide financial statements distinguish functions of the School System that are principally supported by taxes and intergovernmental revenues ("governmental activities") from other functions that are intended to recover a significant portion of their cost through user fees and charges ("Business-type activities"). The business-type activities of the School System consist of the School Lunch Enterprise Fund which provides breakfasts and lunches to students at reduced prices.

The government-wide financial statements include not only the School System itself (known as the "primary government") but also a legally separate charter school, the Jefferson Community Charter School, for which the School System is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 11-13 of this report.

### **Fund Financial Statements**

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School System, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School System can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide *financial statements*, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The School System maintains a variety of funds which are grouped for management purposes into special revenue, debt service, and capital projects fund groups. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund, the special revenue fund used to control Title I monies and the capital projects fund which receives dedicated sales taxes, all of which are considered to be major funds. Data from all the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is presented in the form of combining statements elsewhere in this report.

The School System adopts an annual appropriated budget for its general fund and special revenue funds. A budgetary comparison statement for the general fund and the major Title I fund has been provided to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 14-20 of this report.

**Proprietary funds.** The proprietary fund consists of the School Lunch Enterprise Fund which is also presented as the business-type activities in the government-wide financial statements. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements can be found on pages 21-23 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the School System's own programs. The School system's fiduciary funds consist of agency funds held in a custodial capacity.

The basic fiduciary fund financial statement can be found on page 24 of this report.

*Notes to the financial statements.* The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 25 of this report.

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School System, its total assets exceeded its liabilities by \$41.6 million at the close of the most recent fiscal year.

**Table 1**  
**Net Assets**  
(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2004	2003	2004	2003	2004	2003
Current and other assets	\$170,524	\$154,429	\$8,702	\$2,356	\$179,226	\$156,785
Capital assets	101,582	96,910	418	352	102,000	97,262
Total assets	<u>272,106</u>	<u>251,339</u>	<u>9,120</u>	<u>2,708</u>	<u>281,226</u>	<u>254,047</u>
Long-term debt outstanding	137,923	158,679			137,923	158,679
Other liabilities	94,733	88,432	6,999	1,680	101,732	90,112
Total liabilities	<u>232,656</u>	<u>247,111</u>	<u>6,999</u>	<u>1,680</u>	<u>239,655</u>	<u>248,791</u>
<b>Net assets</b>						
Invested in capital assets, net of related debt	(44,642)	(58,663)	418	352	(44,224)	(58,311)
Restricted	70,844	32,812			70,844	32,812
Unrestricted	13,248	30,078	1,703	676	14,951	30,754
Total net assets	<u>39,450</u>	<u>4,227</u>	<u>2,121</u>	<u>1,028</u>	<u>41,571</u>	<u>5,255</u>

While the bonds payable are associated with the capital expenditures for purposes of categorizing net assets, the capital assets themselves are not a source of repayment of the bonds. The bonds are serviced primarily by dedicated sales taxes. In addition, debt service funds have accumulated \$33.4 million of net assets at June 30, 2004 to provide for the servicing of annual interest and principal payments on bonds.

See Notes 3 and 6 to the financial statements for a more comprehensive discussion of changes in capital assets and bonds payable.

**Table 2**  
**Changes in Net Assets**  
**(In Thousands)**

	Governmental Activities		Business-type Activities		Total Government	
	2004	2003	2004	2003	2004	2003
Revenues:						
Program revenues:						
Charges for Services	5,839	7,484	2,695	2,905	8,534	10,389
Operating Grants and contributions	62,075	55,710	15,501	14,872	77,576	70,582
General revenues:						
Property taxes	46,617	27,150			46,617	27,150
Sales and use taxes, general	123,469	120,713			123,469	120,713
Sales and use taxes, debt service	22,069	18,991			22,069	18,991
Sales and use taxes, public improvement	5,000	6,394			5,000	6,394
State revenue sharing	2,113	2,134			2,113	2,134
Minimum foundation program (MFP)	138,165	134,409			138,165	134,409
Interest and investment earnings	1,472	1,946			1,472	1,946
Special item - loss on disposal of asset	(98)				(98)	0
<b>Total revenues</b>	<b>406,721</b>	<b>374,931</b>	<b>18,196</b>	<b>17,777</b>	<b>424,917</b>	<b>392,708</b>
Expenses:						
General government						
Instruction:						
Regular programs	129,257	108,377			129,257	108,377
Special programs	92,808	78,803			92,808	78,803
Vocational programs	11,351	11,164			11,351	11,164
All other programs	4,189	4,399			4,189	4,399
Support services:						
Student services	27,323	23,602			27,323	23,602
Instructional staff support	5,798	5,227			5,798	5,227
General administration	20,360	18,501			20,360	18,501
School administration	22,052	20,421			22,052	20,421
Business services	2,625	2,421			2,625	2,421
Operations maintenance services	23,857	21,913			23,857	21,913
Pupil transportation services	14,425	14,001			14,425	14,001
Central activity services	2,833	2,868			2,833	2,868
Interest on long-term debt	9,027	9,654			9,027	9,654
Other expenses	4,820	5,425			4,820	5,425
School Lunch			17,876	17,760	17,876	17,760
<b>Total expenses</b>	<b>370,725</b>	<b>326,776</b>	<b>17,876</b>	<b>17,760</b>	<b>388,601</b>	<b>344,536</b>
Increase in net assets before transfers	35,996	48,155	320	17	36,316	48,172
Transfers	(773)	(569)	773	569	0	0
Increase in net assets	35,223	47,586	1,093	586	36,316	48,172
Net assets - July 1	4,227	(43,359)	1,028	442	5,255	(42,917)
Net assets - June 30	39,450	4,227	2,121	1,028	41,571	5,255

Revenues exceeded expenses on the government-wide basis by \$36,315,289 in the year ended June 30, 2004.

The following contrasts the changes in revenues for governmental activities as compared to the prior year:

	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2003</u>	<u>Percentage Change</u>
Sales tax	\$ 150,538,215	37.00 %	\$ 4,440,551	3.04 %
Ad Valorem tax	46,616,733	11.46 %	19,466,821	71.70 %
Minimum Foundation Program	138,164,733	33.96 %	3,755,233	2.79 %
Other state grants	16,961,867	4.17 %	4,452,426	35.59 %
Federal grants	42,739,695	10.51 %	771,846	1.84 %
All other	<u>11,699,013</u>	2.90 %	<u>(1,097,340)</u>	-8.58%
<b>Total</b>	<b><u>\$ 406,720,256</u></b>	<b><u>100.00 %</u></b>	<b><u>\$ 31,789,537</u></b>	<b><u>8.48 %</u></b>

As reported in the Statement of Activities on page 12, the net cost of the School System's governmental activities for the year ended June 30, 2004 was \$302,810,795. The Statement of Activities shows the cost of program services net of charges and grants offsetting some of the cost of such services.

In Table 3 below, the cost of the School System's largest categories of expenses are presented as well as each program's net cost (total cost less revenues generated by the activities). This "net cost" presentation allows the parish taxpayers to determine the remaining cost of the various categories, and also allows them the opportunity to assess the cost of each function in comparison to the benefits they believe are provided by the function. The net cost also reflects the amount needed to finance these functions from general sources such as taxes and MFP.

**Table 3**  
**Total and Net Cost of Governmental Activities**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Governmental activities:		
Instruction:		
Regular programs	\$129,257,222	\$(125,373,439)
Special programs	92,807,479	(39,738,115)
Vocational programs	11,350,759	(3,649,205)
All other programs	4,188,659	(4,059,620)
Support services:		
Student services	27,323,178	(27,323,178)
Instructional staff support	5,798,273	(5,798,273)
General administration	20,360,294	(18,291,801)
School administration	22,051,531	(22,051,531)
Business services	2,624,869	(2,624,869)
Operations maintenance services	23,857,473	(23,857,473)
Pupil transportation services	14,424,779	(13,362,982)
Central activity services	2,833,476	(2,833,476)
Interest on long-term debt	9,026,543	(9,026,543)
Other Expenses	<u>4,820,290</u>	<u>(4,820,290)</u>
Total Governmental Activities	<u>\$ 370,724,825</u>	<u>\$(302,810,795)</u>

*Business-Type Activities*

The School Lunch Enterprise Fund reported an excess of revenues over expenses of \$1,092,792 for the year ended June 30, 2004. Included in the operating results is a mandatory transfer from the general fund of \$772,934. The transfer increase over FY 2003/2004 can be attributed to a raise of \$525 per employee for support personnel as set forth through the FY 2003/2004 MFP. Management has broadened the food selection available to expand revenue and tightened control of staffing levels to control cost over the past four years. Before the operating transfer from the general fund, the enterprise fund experienced a profit from operations of \$319,858, an improvement of \$302,553 over last year.

**Governmental Funds**

The School System uses funds to control and permit measurement in the short term of the revenues and expenditures of a particular activity or purpose (e.g., dedicated taxes and grant programs). The Governmental Fund Financial Statements allow the School System to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial management of the School System and assess further the School System's overall financial stability.

As the School System completed the fiscal year ended June 30, 2004 its combined fund balance was \$124,359,399 as compared to a combined fund balance of \$110,356,254 as of June 30, 2003. The dedicated 9 mills Ad Valorem tax approved in October, 2003, and moderate growth in both the MFP and Sales and use tax can be attributed to the favorable variance. The General Fund's balance increased \$23 million of which \$17.4 is reserved for teacher pay raises. In addition, expenditures remain limited to those which have the greatest impact on academic achievement and those costs mandated by state agencies.

#### General Fund Budgetary Highlights

The School System's budget is prepared according to Louisiana law. During the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires the budget be revised if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the School System was adopted on June 2, 2003 and the final revised budget was adopted on April 7, 2004.

A statement showing the School System's original and final budget compared with actual operating results is provided in this CAFR beginning on page 19. The School System's year-end actual results were better than had been budgeted, as conservative budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects. The General Fund actual revenues exceeded projections by \$4.4 million and expenditures were under final projections by \$2.8 million. The favorable expenditure variance can be attributed to the on going overall attempts by the School System to utilize cost saving measures whenever possible.

#### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Jefferson Parish School System is on a quest to restructure, redesign, and remarket itself. The School System is on the path of transformation to excellence and greatness in several areas, not the least of which is academic achievement. A few of these endeavors include, the creation of a magnet elementary, middle, and high school, a science and technology school, and assessing the need of additional West Bank schools. It is crucial for the School System to secure funding for these future goals. First and foremost, the School System must strive to achieve a "healthy" fund balance in order to earn the best bond ratings possible. Additionally, the Jefferson Parish School Board will maximize the amount of Property Tax collections with the "roll forward" of millage rates in the 2004 reassessment year in attempts to meet its recurring long-term needs.

It is imperative that the FY 2005/2006 General Operations Fund Budget encompass the commitment of student achievement. The time has come to move a "good" school system into "greatness." With a clear vision, and sound economic decisions, the Jefferson Parish School System can expand educational growth and succeed in improving the lives of the children and community it serves.

#### CONTACTING THE SCHOOL SYSTEM'S FINANCIAL MANAGEMENT

While this CAFR is designed to provide full and complete disclosure of the financial condition and operations of the School System, citizens groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact Jefferson Parish Public School System, 501 Manhattan Boulevard, Harvey, Louisiana, 70058, or by calling (504) 349-7627 during regular office hours, Monday through Friday, 7:00 a.m. to 3:00 p.m., Central Standard Time.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATEMENT A

STATEMENT OF NET ASSETS

JUNE 30, 2004

ASSETS	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Cash and cash equivalents	\$ 118,096,707	\$ 7,229,129	\$ 125,325,836	\$ 571,904
Receivables:				
Sales and use tax	24,034,787		24,034,787	
Other	963,861	94,230	1,058,091	
Due from component unit	601,075		601,075	
Internal balances				10,170
Due from other governments	19,345,049	11,449	19,356,498	
Inventory		1,367,313	1,367,313	
Prepaid assets	6,874,420		6,874,420	
Deferred financing costs	608,000		608,000	
Capital assets (net of accumulated depreciation)	<u>101,581,684</u>	<u>418,123</u>	<u>101,999,807</u>	<u>178,016</u>
<b>TOTAL ASSETS</b>	<u>272,105,583</u>	<u>9,120,244</u>	<u>281,225,827</u>	<u>760,090</u>
<b>LIABILITIES</b>				
Accounts payable	16,892,945	118,342	17,011,287	
Retainages payable	373,521		373,521	
Accrued liabilities:				
Salaries, wages, payroll taxes and retirement contribution	31,216,970		31,216,970	
Claims and judgements	407,817		407,817	
Compensated absences	25,701,509	492,276	26,193,785	
Workers' compensation claims	2,221,388		2,221,388	
Due to primary government	(5,446,332)	5,456,502	10,170	601,075
Due to other governmental units	51,359		51,359	
Deferred revenue	58,832	932,023	990,855	
Accrued interest payable	2,228,000		2,228,000	
Bonds payable:				
Due within one year	21,026,369		21,026,369	
Due in more than one year	<u>137,923,336</u>		<u>137,923,336</u>	
<b>TOTAL LIABILITIES</b>	<u>232,655,714</u>	<u>6,999,143</u>	<u>239,654,857</u>	<u>601,075</u>
<b>NET ASSETS</b>				
Invested in capital assets—net of related debt	(44,641,715)	418,123	(44,223,592)	178,016
Restricted for:				
Capital projects	8,510,546		8,510,546	
Debt service	33,373,696		33,373,696	
Specific programs	28,959,617		28,959,617	
Unrestricted	<u>13,247,725</u>	<u>1,702,978</u>	<u>14,950,703</u>	<u>(19,001)</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 39,449,869</u>	<u>\$ 2,121,101</u>	<u>\$ 41,570,970</u>	<u>\$ 159,015</u>

The notes to basic financial statements are an integral part of this statement.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2004

FUNCTIONS/PROGRAMS	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental activities:			
Instruction:			
Regular programs	\$129,257,222	\$ 390,410	\$ 3,493,373
Special programs	92,807,479	5,448,622	47,620,742
Vocational programs	11,350,759		7,701,554
All other programs	4,188,659		129,039
Support services:			
Student services	27,323,178		
Instructional staff support	5,798,273		
General administration	20,360,294		2,068,493
School administration	22,051,531		
Business services	2,624,869		
Operations maintenance services	23,857,473		
Pupil transportation services	14,424,779		1,061,797
Central activity services	2,833,476		
Interest on long-term debt	9,026,543		
Other expenses	4,820,290		
Total governmental activities	<u>370,724,825</u>	<u>5,839,032</u>	<u>62,074,998</u>
Business-type activities:			
School Lunch	<u>17,875,997</u>	<u>2,694,653</u>	<u>15,501,202</u>
Total business-type activities	<u>17,875,997</u>	<u>2,694,653</u>	<u>15,501,202</u>
Total primary government	<u>\$388,600,822</u>	<u>\$ 8,533,685</u>	<u>\$77,576,200</u>
Component Unit:			
Jefferson Community Charter School	<u>\$ 733,277</u>	<u>\$ -</u>	<u>\$ 711,604</u>
Total component units	<u>\$ 733,277</u>	<u>\$ -</u>	<u>\$ 711,604</u>

### General Revenues

Taxes:  
 Property taxes, levied for general purposes  
 Sales and use taxes, levied for general purposes  
 Sales and use taxes, levied for debt service  
 Sales and use taxes, levied for public improvement  
 State revenue sharing  
 Grants and contributions not restricted to specific purposes:  
 Minimum foundation program  
 Interest and investment earnings  
 Special item - loss on disposal of asset  
 Transfers

Total general revenues

Excess of revenues over expenses

Net assets—July 1, 2003

Net assets—June 30, 2004

The notes to basic financial statements are an integral part of this statement.

## STATEMENT B

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Unit
\$(125,373,439)	\$ -	\$(125,373,439)	\$
(39,738,115)		(39,738,115)	
(3,649,205)		(3,649,205)	
(4,059,620)		(4,059,620)	
(27,323,178)		(27,323,178)	
(5,798,273)		(5,798,273)	
(18,291,801)		(18,291,801)	
(22,051,531)		(22,051,531)	
(2,624,869)		(2,624,869)	
(23,857,473)		(23,857,473)	
(13,362,982)		(13,362,982)	
(2,833,476)		(2,833,476)	
(9,026,543)		(9,026,543)	
(4,820,290)		(4,820,290)	
<u>(302,810,795)</u>		<u>(302,810,795)</u>	
	319,858	319,858	
	319,858	319,858	
<u>\$(302,810,795)</u>	<u>\$ 319,858</u>	<u>\$(302,490,937)</u>	<u>\$</u>
			\$ (21,673)
			(21,673)
\$ 46,616,733		\$ 46,616,733	
123,469,313		123,469,313	
22,068,902		22,068,902	
5,000,000		5,000,000	
2,113,205		2,113,205	
138,164,733		138,164,733	
1,471,740		1,471,740	
(98,400)		(98,400)	
<u>(772,934)</u>	<u>\$ 772,934</u>		
<u>338,033,292</u>	<u>772,934</u>	<u>338,806,226</u>	
35,222,497	1,092,792	36,315,289	(21,673)
<u>4,227,372</u>	<u>1,028,309</u>	<u>5,255,681</u>	<u>180,688</u>
<u>\$ 39,449,869</u>	<u>\$2,121,101</u>	<u>\$ 41,570,970</u>	<u>\$ 159,015</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

GOVERNMENTAL FUNDS - BALANCE SHEET  
JUNE 30, 2004

ASSETS	General	Elementary and Secondary Education Act of 1965 (Title 1)	Capital Projects - Dedicated Sales Tax	Other Governmental Funds	Total
ASSETS:					
Cash and investments (Note 2)	\$25,177,426	\$ -	\$32,861,610	\$60,057,671	\$118,096,707
Receivables:					
Sales and use tax (Note 5)	24,034,787				24,034,787
Other accounts	799,513			164,348	963,861
Due from other funds (Note 8)	28,101,873	807,794	11,517,976	14,151,454	54,579,097
Due from component unit	601,075				601,075
Due from other governmental units	248,748	6,223,438		12,872,863	19,345,049
Prepaid items (principally insurance)	<u>6,874,420</u>				<u>6,874,420</u>
<b>TOTAL ASSETS</b>	<u>\$85,837,842</u>	<u>\$7,031,232</u>	<u>\$44,379,586</u>	<u>\$87,246,336</u>	<u>\$224,494,996</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**GOVERNMENTAL FUNDS - BALANCE SHEET**  
**JUNE 30, 2004**

LIABILITIES AND FUND BALANCES	General	Elementary and Secondary Education Act of 1965 (Title 1)	Capital Projects - Dedicated Sales Tax	Other Governmental Funds	Total
<b>LIABILITIES:</b>					
Accounts payable	\$ 2,321,881	\$4,543,999	\$ 773,274	\$ 9,253,791	\$ 16,892,945
Retainages payable			280,716	92,805	373,521
Accrued liabilities:					
Salaries, wages, payroll taxes and retirement contributions	31,216,970				31,216,970
Claims and judgments (Notes 6 and 10)	187,817				187,817
Workers' compensation claims (Note 10)	2,221,388				2,221,388
Due to other funds (Note 8)	11,918,235	2,487,233	10,370,069	24,357,228	49,132,765
Due to other governmental units				51,359	51,359
Deferred revenue				58,832	58,832
Total liabilities	<u>47,866,291</u>	<u>7,031,232</u>	<u>11,424,059</u>	<u>33,814,015</u>	<u>100,135,597</u>
<b>FUND BALANCES:</b>					
Fund balance (Note 11):					
Reserved	25,535,525		5,838,610	45,858,699	77,232,834
Unreserved:					
Designated for capital projects			27,116,917	7,581,376	34,698,293
Undesignated reported in:					
General Fund	12,436,026				12,436,026
Special Revenue				(7,754)	(7,754)
Total fund balances	<u>37,971,551</u>		<u>32,955,527</u>	<u>53,432,321</u>	<u>124,359,399</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$85,837,842</u>	<u>\$7,031,232</u>	<u>\$44,379,586</u>	<u>\$87,246,336</u>	<u>\$224,494,996</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT D**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2004**

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Total Fund Balances at June 30, 2004 - Governmental Funds		<u>\$ 124,359,399</u>
Cost of capital assets at June 30, 2004	\$325,701,668	
Less - accumulated depreciation as of June 30, 2004:		
Buildings and improvements	(201,865,842)	
Furniture and equipment	<u>(22,254,142)</u>	<u>101,581,684</u>
Elimination of interfund assets and liabilities:		
Due from other funds	49,132,765	
Due to other funds	<u>(49,132,765)</u>	<u>                    </u>
Deferred financing costs		<u>608,000</u>
Long-term liabilities at June 30, 2004:		
Claims and judgments	(220,000)	
Compensated absences	(25,701,509)	
Bonds payable	(158,949,705)	
Accrued interest payable	<u>(2,228,000)</u>	<u>(187,099,214)</u>
Net assets at June 30, 2004		<u>\$ 39,449,869</u>

The notes to basic financial statements are an integral part of this statement.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATEMENT E

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED JUNE 30, 2004

	General	Elementary and Secondary Education Act of 1965 (Title 1)	Capital Projects - Dedicated Sales Tax	Other Governmental Funds	Total
REVENUES:					
Local sources:					
Property taxes	\$ 46,616,733	\$ -	\$ -	\$ -	\$ 46,616,733
Sales and use taxes	123,469,313		2,000,000	25,068,902	150,538,215
Tuition and other	390,410			5,448,622	5,839,032
Interest income	441,627		522,691	507,422	1,471,740
Other	3,657,142		3,460	826,039	4,486,641
State sources	143,962,808			11,163,792	155,126,600
Federal sources	1,499,885	16,255,752		24,984,058	42,739,695
Total revenues	<u>320,037,918</u>	<u>16,255,752</u>	<u>2,526,151</u>	<u>67,998,835</u>	<u>406,818,656</u>
EXPENDITURES:					
Current:					
Instruction	190,224,301	12,050,574		23,164,780	225,439,655
Supporting services	101,108,454	3,059,960		12,146,236	116,314,650
Non-instruction	8,360	1,145,218		3,047,962	4,201,540
Capital outlay			11,522,789	7,253,881	18,776,670
Debt service:					
Principal retirement				14,931,769	14,931,769
Interest and fiscal charges				12,759,543	12,759,543
Total expenditures	<u>291,341,115</u>	<u>16,255,752</u>	<u>11,522,789</u>	<u>73,304,171</u>	<u>392,423,827</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>28,696,803</u>		<u>(8,996,638)</u>	<u>(5,305,336)</u>	<u>14,394,829</u>
OTHER FINANCING SOURCES (USES):					
Transfers in (Note 8)	77,548		2,850,000	12,398,048	15,325,596
Transfers out (Note 8)	(5,132,327)		(6,308,306)	(4,657,897)	(16,098,530)
Transfers to component unit	(618,750)				(618,750)
Debt proceeds				1,000,000	1,000,000
Total other financing sources (uses)—net	<u>(5,673,529)</u>		<u>(3,458,306)</u>	<u>8,740,151</u>	<u>(391,684)</u>
NET CHANGE IN FUND BALANCES	23,023,274		(12,454,944)	3,434,815	14,003,145
FUND BALANCES—Beginning of year	<u>14,948,277</u>		<u>45,410,471</u>	<u>49,997,506</u>	<u>110,356,254</u>
FUND BALANCES—End of year	<u>\$ 37,971,551</u>	<u>\$ -</u>	<u>\$32,955,527</u>	<u>\$ 53,432,321</u>	<u>\$ 124,359,399</u>

The notes to basic financial statements are an integral part of this statement.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATEMENT F

## RECONCILIATION OF THE GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES FISCAL YEAR ENDED JUNE 30, 2004

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Total Net Changes in Fund Balance - Governmental Funds		\$ 14,003,145
Capital Assets:		
Capital outlays capitalized	\$ 12,973,149	
Depreciation expense for year ended June 30, 2004	(8,202,838)	
Loss on disposal of assets	<u>(98,400)</u>	4,671,911
Long Term Debt:		
Principal portion of debt service payments	14,931,769	
Increase in liabilities for compensated absences	(1,117,328)	
Amortization of deferred bond issuance costs	(122,000)	
Excess of interest paid over interest accrued	472,000	
Reduction of interest expense related to current maturities of deep-discount debt	3,383,000	
Debt proceeds	<u>(1,000,000)</u>	<u>16,547,441</u>
Change in Nct Assets - Governmental Activities		<u>\$ 35,222,497</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT G-1**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS)  
AND ACTUAL - GENERAL FUND  
YEAR ENDED JUNE 30, 2004**

	Original Budget	Revised Budget	Actual on Budgetary Basis	Variance- from Revised Budget Positive (Negative)
<b>REVENUES:</b>				
Local sources:				
Property taxes	\$ 26,344,336	\$ 45,161,415	\$ 46,616,733	\$ 1,455,318
Sales and use taxes	121,939,522	120,713,141	123,469,313	2,756,172
Tuition and other	800,000	850,000	390,410	(459,590)
Interest income	350,000	345,000	441,627	96,627
Other	2,580,000	2,700,000	3,657,142	957,142
State sources	143,654,257	143,852,328	143,962,808	110,480
Federal sources	<u>1,700,000</u>	<u>2,030,000</u>	<u>1,499,885</u>	<u>(530,115)</u>
<b>Total revenues</b>	<u>297,368,115</u>	<u>315,651,884</u>	<u>320,037,918</u>	<u>4,386,034</u>
<b>EXPENDITURES:</b>				
Instruction	195,829,006	192,892,551	190,374,716	2,517,835
Supporting services	98,752,397	101,039,310	101,066,707	(27,397)
Non-instruction	<u>315,000</u>	<u>310,000</u>	<u>8,360</u>	<u>301,640</u>
<b>Total expenditures</b>	<u>294,896,403</u>	<u>294,241,861</u>	<u>291,449,783</u>	<u>2,792,078</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>2,471,712</u>	<u>21,410,023</u>	<u>28,588,135</u>	<u>7,178,112</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	950,000	950,000	77,548	(872,452)
Transfers out	(3,568,685)	(3,568,685)	(5,132,327)	(1,563,642)
Transfers to component unit	<u>(550,000)</u>	<u>(595,833)</u>	<u>(618,750)</u>	<u>(22,917)</u>
<b>Total other financing uses—net</b>	<u>(3,168,685)</u>	<u>(3,214,518)</u>	<u>(5,673,529)</u>	<u>(2,459,011)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (696,973)</u>	<u>\$ 18,195,505</u>	22,914,606	<u>\$ 4,719,101</u>
<b>ENCUMBRANCES OUTSTANDING AT YEAR END</b>			1,257,321	
<b>PRIOR YEAR ENCUMBRANCES EXPENDED IN CURRENT YEAR</b>			(1,148,653)	
<b>FUND BALANCES AT BEGINNING OF YEAR (GAAP BASIS)</b>			<u>14,948,277</u>	
<b>FUND BALANCES AT END OF YEAR (GAAP BASIS)</b>			<u>\$ 37,971,551</u>	

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT G-2**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - ELEMENTARY AND  
 SECONDARY EDUCATION ACT OF 1965 (TITLE I) - SPECIAL REVENUE FUND  
 YEAR ENDED JUNE 30, 2004**

	Original Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES:			
Federal sources	<u>\$ 17,926,067</u>	<u>\$ 16,255,752</u>	<u>\$ (1,670,315)</u>
Total revenues	<u>17,926,067</u>	<u>16,255,752</u>	<u>(1,670,315)</u>
EXPENDITURES:			
Salaries	8,194,627	9,166,796	(972,169)
Benefits	2,705,274	2,306,009	399,265
Purchased professional and technical services	937,267	1,117,058	(179,791)
Purchased property services	199,382	178,849	20,533
Other purchased services	1,007,094	561,465	445,629
Supplies	3,287,491	2,230,022	1,057,469
Indirect cost	445,758	443,415	2,343
Property	<u>507,133</u>	<u>252,138</u>	<u>254,995</u>
Total expenditures	<u>17,284,026</u>	<u>16,255,752</u>	<u>1,028,274</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	642,041	-	<u>\$ (642,041)</u>
FUND BALANCE—Beginning of year	<u>-</u>	<u>-</u>	
FUND BALANCE—End of year	<u>\$ 642,041</u>	<u>\$ -</u>	

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT H**

**STATEMENT OF NET ASSETS  
 PROPRIETARY FUND  
 JUNE 30, 2004**

	<u>Business-Type Enterprise Fund</u>
	<u>School Lunch</u>
<b>ASSETS</b>	
CURRENT ASSET:	
Cash and cash equivalents	\$ 7,229,129
Receivables (net of allowances for uncollectibles)	94,230
Due from other funds	476,224
Due from other governments	11,449
Inventory	<u>1,367,313</u>
Total current assets	<u>9,178,345</u>
Capital assets (net of accumulated depreciation)	<u>418,123</u>
<b>TOTAL ASSETS</b>	<u>9,596,468</u>
<b>LIABILITIES</b>	
CURRENT LIABILITIES:	
Accounts, salaries, and other payables	118,342
Due to other funds	5,932,726
Deferred revenues	<u>932,023</u>
Total current liabilities	<u>6,983,091</u>
NON-CURRENT LIABILITIES—	
<i>Compensated absences</i>	<u>492,276</u>
<b>TOTAL LIABILITIES</b>	<u>7,475,367</u>
<b>NET ASSETS</b>	
Invested in capital assets—net of related debt	418,123
Unrestricted	<u>1,702,978</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 2,121,101</u>

The notes to basic financial statements are an integral part of this statement.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

# STATEMENT I

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS PROPRIETARY FUND TYPE - SCHOOL LUNCH ENTERPRISE FUND YEAR ENDED JUNE 30, 2004

OPERATING REVENUE—	
Food service sales	\$ 2,694,653
OPERATING EXPENSES:	
Salaries and related benefits	8,110,730
Food costs	7,320,025
Material and supplies	850,504
Contractual services	371,356
Depreciation	57,777
Miscellaneous	30,000
Printing	23,360
Repairs and maintenance	496,197
Travel	16,048
Utilities	600,000
Total	<u>17,875,997</u>
OPERATING LOSS	<u>(15,181,344)</u>
NONOPERATING REVENUES (EXPENSES):	
Federal grants in aid:	
Donated commodities	1,196,598
School lunch and breakfast program	14,309,599
Loss on disposal of capital assets	<u>(4,995)</u>
Total	<u>15,501,202</u>
INCOME BEFORE TRANSFERS	319,858
TRANSFERS FROM GENERAL FUND	<u>772,934</u>
CHANGE IN NET ASSETS	1,092,792
NET ASSETS—Beginning of year	<u>1,028,309</u>
NET ASSETS—End of year	<u>\$ 2,121,101</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT J**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE  
SCHOOL LUNCH ENTERPRISE FUND  
YEAR ENDED JUNE 30, 2004**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from sales	\$ 2,697,864
Cash payments for personal services	(8,110,730)
Cash payments for contract services	(371,356)
Cash payments for material and supplies	(6,962,515)
Cash payments for repairs and maintenance	(496,197)
Cash payments for utilities	(600,000)
Cash payments for other expenses	<u>(94,831)</u>
Net cash used in operating activities	<u>(13,937,765)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Federal grants in aid	14,309,599
Advances from other funds	1,677,894
Transfers in	<u>772,934</u>
Net cash provided by noncapital financing activities	<u>16,760,427</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES—</b>	
Acquisition of capital assets	<u>(128,840)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,693,822</b>
<b>CASH AND CASH EQUIVALENTS—Beginning of year</b>	<b><u>4,535,307</u></b>
<b>CASH AND CASH EQUIVALENTS—End of year</b>	<b><u>\$ 7,229,129</u></b>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:</b>	
Operating loss	\$(15,181,344)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	57,777
Donated commodities used	1,196,598
Change in assets and liabilities:	
Decrease in accounts receivable	3,211
Decrease in inventories	123,382
Increase in accounts payable	11,417
Decrease in deferred revenue	<u>(148,806)</u>
Net cash used in operating activities	<u>\$(13,937,765)</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>	
Donated commodities received	\$ 1,047,792
Donated commodities used	(1,196,598)
Gain (loss) on disposal of capital asset	<u>(4,995)</u>
Total noncash investing, capital, and financing activities—net	<u>\$ (153,801)</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

STATEMENT K

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2004**

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	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	<u>\$4,294,190</u>
<b>TOTAL ASSETS</b>	<u>\$4,294,190</u>
<b>LIABILITIES</b>	
Due to student groups	\$1,508,069
Due to schools	2,724,860
Due to others	772
Due to photographers	45,043
Due to stadium clubs	8,088
Due to participants	<u>7,358</u>
<b>TOTAL LIABILITIES</b>	<u>\$4,294,190</u>

The notes to basic financial statements are an integral part of this statement.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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### 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jefferson Parish Public School System (the School System) is an independent special district created for the purpose of providing elementary and secondary education to the citizens of Jefferson Parish, Louisiana. The School System is governed by an elected board comprised of nine members.

The following is a summary of the School System's significant accounting policies which conform to accounting principles generally accepted in the United States of America as applicable to governmental units:

**Reporting Entity**—In conformity with the Governmental Accounting Standards Board's (GASB) definition of a reporting entity, the financial statements of the School System include the accounts of all School System operations. As required by accounting principles generally accepted in the United States of America, these financial statements present the School System as the primary government. The School System has one component unit, the Jefferson Community Charter School, which is presented as a discretely presented component unit. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Jefferson Community Charter School is included in the reporting entity because it is fiscally dependent on the School System. However, the Charter School is a legally separate entity and, as such, appoints its own Board. The purpose of the Charter School is to provide an alternative middle school for at-risk public school students in the sixth, seventh and eighth grade who have been expelled from the parish public school system to learn appropriate behavioral and academic skills enabling them to return as functioning, responsible participants in the public middle and high schools. The component unit also has a June 30 year end. Complete financial statements of the component unit can be obtained from the Charter School. The School System and its component unit represent the reporting entity. Additionally, the School System is a legally-separate governmental organization that has a separately elected governing body and does not meet the definition of a component unit.

**Fund Accounting**—The accounts of the School System are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, retained earnings, revenues and expenditures or expenses, as appropriate. The various funds are summarized by type in the financial statements. The following fund types and discretely presented component unit are used by the School System:

#### Governmental Fund Types

**General Fund**—to account for all financial resources and expenditures except those required to be accounted for in another fund.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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*Special Revenue Funds*—to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

*Debt Service Funds*—to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related costs.

*Capital Projects Funds*—to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

### Proprietary Fund Type

*Enterprise Fund*—to account for operations that are financed and operated in a manner similar to private business enterprises, where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The only enterprise fund maintained by the School System is the School Lunch Fund which provides lunch, breakfast and milk to students at reduced prices.

### Fiduciary Fund Type

*Agency Funds*—to account for assets held by the School System as an agent for others.

### Component Unit

The component unit of the School System, the Jefferson Community Charter School, is accounted for as a Governmental Fund Type.

*Basis of Accounting/Masurement Focus - Government-Wide Financial Statements (GWFS)*—The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the School System, except for the fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund balance sheet level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). As a general rule, the effect of interfund activity has been eliminated from these statements. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

*Program Revenues*- Program revenues included in the Statement of Activities derive directly from parties outside the School System's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School System's General Revenues.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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*Allocation of Indirect Expenses*—The School System reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings other than specific school sites is assigned to the “general administration” function due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

The School System reports the following major governmental funds:

*General Fund* is the principal operating fund of the School System and receives most of the revenues derived by the School System from local (principally property and sales taxes) and State sources. General Fund expenditures represent the costs of general School System operations and include functional categories of instruction, supporting services and non-instruction. The General Fund is used to account for all financial resources and expenditures except those required to be accounted for in another fund.

*ESEA (Title I)* is used to account on a project basis for funds allocated to programs for educationally disadvantaged children (Title I), children of migrant agriculture workers, and for the improvement of student achievement and quality of education (Title 2). This fund is the largest single fund in the special revenue fund group and comprises approximately 30% of special revenue fund revenues and expenditures.

*Dedicated Sales Tax Fund* is a capital projects fund used to account for the proceeds of the various 1954 and 1980 sales tax bonds issued from 1986 through 2002 and that portion of the sales tax approved June 28, 1980 (1/4 cent) dedicated for capital improvements. Funds not required for capital projects are typically transferred to debt service funds to cover principal and interest payments on debt secured by sales tax revenues. Approximately 60-75% of capital project expenditures typically flow through this fund.

The School System reports the following major proprietary fund:

*School Lunch Fund* is a federally assisted meal program that provides nutritionally balanced low cost or free meals to children.

*Fund Financial Statements (FFS)*—The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund Types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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The modified accrual basis of accounting is followed by the Governmental Fund Types. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on long-term debt, compensated absences, and claims and judgments which are recognized when due, are recorded when the fund liability is incurred, if measurable.

Revenues from local sources consist primarily of sales and use and property taxes. Year-end accrual of sales and use tax revenue is based upon June and prior months' sales and use taxes collected during July and August of the following year. Property tax revenues and revenues received from the State of Louisiana (the State) are recognized as revenue primarily as received except at year end when they are accrued for a period not exceeding 60 days. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Generally, investment earnings are recorded as earned since they are measurable and available.

*Grant funds are considered to be earned when qualifying expenditures are made and all other grant requirement have been met and, accordingly, when such funds are received, they are recorded as deferred revenue until earned.*

The Proprietary Fund Type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the statement of net assets. The Proprietary Fund Type operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The accrual basis of accounting is utilized by the Proprietary Fund Type and the Agency Funds. Under this basis of accounting, revenues are recognized when earned, and expenses are recognized when the related liability is incurred.

The School Lunch proprietary fund distinguishes between operating and nonoperating revenues and expenses. Operating revenues consist of charges to customers for food service sales. Operating expenses result from the cost of food service, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting the above definitions are reported as nonoperating revenues and expenses.

In accordance with Statement No. 20 of the Governmental Accounting Standards Board (GASB), *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the School System has elected to apply all applicable GASB pronouncements as well as all Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Under the provisions of GASB Statement No. 20, the School System has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 30, 1989.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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*Use of Estimates*—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Budget and Budgetary Accounting*—Under Louisiana Revised Statutes 17:88 and 39:1301-1314, the School Board adopts an annual budget of expected revenues and probable expenditures for the General Fund and its Special Revenue Funds. The budgetary process includes public notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget. The budget is adopted and submitted to the State Department of Education no later than September 15 each year. Once a budget is approved by the State Department of Education, it can be amended at the function level at the discretion of management unless it becomes evident that receipts or disbursements will vary substantially from those budgeted. Then, the School Board shall prepare and adopt an amended budget.

Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds. Budgetary control is exercised at the revenue and expenditure function level. Formal budgetary integration is not employed for the Debt Service and Capital Projects funds since their expenditures are controlled by contractual arrangements. Budgeted amounts reflected in the accompanying financial statements for the General Fund were adopted by the School Board on July 2, 2003, and include amendments, none of a significant nature, made through April 7, 2004. Special Revenue Funds budgets were adopted by the School Board on May 7, 2003 and June 4, 2003, and include amendments, none of a significant nature, made on May 5, 2004.

The School System's budget includes encumbered amounts. Accordingly, the budgetary basis expenditure data reflected in the Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - General and Special Revenue Fund Types (Statements G-1 and G-2) includes encumbrances and, thus, differs from the expenditure data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types (Statement E) by the amount of the net change in encumbrances outstanding at year end. The General Fund represents the only budgeted fund with encumbrances outstanding at year-end. A reconciliation of the differences between actual data and amounts on a budgetary basis for the general fund is presented below:

	General Fund
Excess (deficiency) of revenues and other sources over expenditures and other uses (budgetary basis)	\$22,914,606
To reverse June 30, 2004 encumbrances recorded as expenditures on the budgetary basis	1,257,321
To add back prior year's encumbrances paid in 2004, but not recorded as expenditures in 2004	<u>(1,148,653)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$23,023,274</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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*Encumbrances*—Commitments related to unperformed executory contracts for goods or services, such as outstanding purchase orders and uncompleted contracts, are recorded as encumbrances in order to reserve the applicable portion of the appropriation. Appropriations are valid for the year for which made, and any part of such appropriation which is not encumbered or expended lapses at the end of the year. Encumbrances outstanding at year-end are reported as reservations of fund balances since they represent authority for expenditure in the subsequent year. Encumbrances do not constitute GAAP expenditures or liabilities. As materials are subsequently received, liabilities are recorded, and the related encumbrances are eliminated.

*Cash and Cash Equivalents*—For purposes of the statement of cash flows, the School Lunch Enterprise Fund considers all short-term, highly liquid investments (including certificates of deposit) with an original maturity of three months or less when purchased to be cash equivalents.

*Investments*—Investments are stated at fair value.

*Receivables and Payables*—On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

*Inventories*—The School Lunch Enterprise Fund inventories consist of purchased food and supplies and commodities received as donations through the federal school lunch program. Such inventories are priced at cost (except for commodities received as donations which are priced using the USDA price list for commodities) on a first-in, first-out basis. Until donated commodities are consumed, they are reported as deferred revenues.

*Prepaid Items*—Payments made to vendors for services that will benefit periods beyond June 30, 2004, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

*Capital Assets*—Capital assets which are purchased are recorded at cost or estimated historical cost. Actual historical cost data was not available for buildings and improvements acquired or constructed prior to 1975. In those cases where it was not feasible to determine the actual cost, the buildings and improvements were valued at estimated historical cost by using price indices. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School System maintains a threshold level of \$1,000 or more for capitalizing capital assets.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School System, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Land improvements	20 - 30 years
Buildings and building improvements	25 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 10 years
Equipment	5 - 17 years

### *Compensated Absences*

- A. *Vacation and Sick Leave*—All full-time employees of the School System are permitted to accrue sick pay (sick leave). Since fiscal year 1994, vacation days (annual leave) accrued in one fiscal year are to be used by the end of the same fiscal year unless the Administrative Department head determines that the work assignment of the employee requesting the annual leave is such that the employee should not take annual leave during that particular fiscal year, and this carryover is approved by the Superintendent. Annual leave and sick leave may accrue to an unlimited number of days. Upon termination of employment, the employee is paid for all annual leave accrued prior to fiscal year 1994 at 1994 daily salary rates and post 1994 accrued annual leave approved by the Administrative Department head at current daily salary rates and accrued sick leave up to a maximum of 25 days at current daily salary rates.

Annual and sick leave liabilities are recorded as an expense when incurred in the School Lunch Enterprise Fund. In the governmental funds, no expenditure or liability is reported in connection with vacation and sick leave until such amounts are paid, or in the case of termination payments for unused leave, when such payments are due. The amount of accumulated vacation and accumulated vested sick leave at June 30, 2004 applicable to Governmental Fund Types was \$16,613,924, which is reported in the GWFS.

- B. *Sabbatical Leave*—Any employee with a teaching certificate is entitled, subject to approval, to one semester of sabbatical leave after three or more years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leaves may be granted for medical reasons or professional and cultural improvement and must be approved by the School System. Unused sabbatical leave may be carried forward to periods subsequent to that in which it is earned. Sabbatical leave does not vest.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

Accumulated sabbatical leave for which payment is probable is accrued. No expenditure or liability is reported in the Governmental Fund Types in connection with sabbatical leave. The amount of accumulated sabbatical leave at June 30, 2004 for which payment is probable was \$9,087,585, which is reported in the GWFS.

For the governmental funds, compensated absences are generally liquidated by the general fund.

### 2. CASH AND INVESTMENTS

*Deposits*—In accordance with Louisiana Statutes, the School System maintains deposits at those depository banks authorized by the School System. All such depositories are members of the Federal Reserve System.

Louisiana Statutes require that all School System deposits be protected by insurance or collateral. The market value of collateral pledged must equal 100% of the deposits not covered by insurance.

At June 30, 2004, the carrying amount of the School System's (primary government only) deposits was \$125,325,836, and the bank balance was \$120,307,256. The School System's bank balance is categorized below to give an indication of the level of risk assumed by the School System at year end. Category 1 includes insured or collateralized cash with securities held by the School System or by its agent in the School System's name. Category 2 includes collateralized cash with securities held by the pledging financial institution's trust department or agent in the School System's name. Category 3 includes uncollateralized cash, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the School System's name.

	Category			Total
	1	2	3	
Bank balance:				
Cash	\$ 119,261,868	\$ -	\$ 1,045,388	\$ 120,307,256

#### Investments

Cash balances of the School System's funds are pooled and invested to the extent possible in authorized investments. Interest earned on invested cash is distributed to the various funds on the basis of the actual invested cash balances of the participating funds during the year.

The School System may invest idle funds as authorized by Louisiana Statutes, as follows:

- (a) Direct United States Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States.
- (b) United States government agency obligations, the principal and interest of which are fully guaranteed by the government of the United States, or United States government obligations, the principal and interest of which are guaranteed by any United States government agency.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

- (c) Direct security repurchase agreements of any federal book entry only securities enumerated in paragraphs (a) and (b).
- (d) Time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the state of Louisiana.
- (e) Mutual or trust funds, which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940 and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

The School System had no investments outstanding at June 30, 2004.

The School System's investments are categorized below to give an indication of the level of risk assumed at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School System or its agent in the School System's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the School System's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the School System's name.

Balances at June 30, 2004 were as follows:

Securities Type	Credit Risk Category			Carrying Value
	1	2	3	
U. S. Government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	\$ -
Total deposits				<u>125,325,836</u>
Total cash and investments				<u>\$125,325,836</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

### 3. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2004, was as follows:

	Balance June 30, 2003	Additions	Deletions	Balance June 30, 2004
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 19,969,005	\$ 110,000	\$ -	\$ 20,079,005
Capital assets being depreciated:				
Buildings and improvements	269,052,078	7,977,340		277,029,418
Furniture and equipment	25,136,111	4,885,809	1,428,675	28,593,245
Total capital assets being depreciated	294,188,189	12,863,149	1,428,675	305,622,663
Less accumulated depreciation for:				
Buildings and improvements	197,354,903	4,510,939		201,865,842
Furniture and equipment	19,892,518	3,691,899	1,330,275	22,254,142
Total accumulated depreciation	217,247,421	8,202,838	1,330,275	224,119,984
Total capital assets being depreciated—net	76,940,768	4,660,311	98,400	81,502,679
Governmental activities capital assets—net	\$ 96,909,773	\$ 4,770,311	\$ 98,400	\$ 101,581,684

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

	Balance June 30, 2003	Additions	Deletions	Balance June 30, 2004
<b>Business-type Activities</b>				
Capital assets being depreciated:				
Furniture and equipment	<u>\$5,772,579</u>	<u>\$ 128,840</u>	<u>\$ 87,978</u>	<u>\$ 5,813,441</u>
Less accumulated depreciation for:				
Furniture and equipment	<u>5,420,524</u>	<u>57,777</u>	<u>82,983</u>	<u>5,395,318</u>
Total accumulated depreciation	<u>5,420,524</u>	<u>57,777</u>	<u>82,983</u>	<u>5,395,318</u>
Total capital assets being depreciated—net	<u>352,055</u>	<u>71,063</u>	<u>4,995</u>	<u>418,123</u>
Business-type activities capital assets—net	<u>\$ 352,055</u>	<u>\$ 71,063</u>	<u>\$ 4,995</u>	<u>\$ 418,123</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$6,527,968
Special	1,192,343
Vocational	30,607
Support services:	
Administration	<u>451,920</u>
	<u>\$8,202,838</u>

#### 4. PROPERTY TAX

Property tax is due and becomes an enforceable lien on property on the first day of the month following the filing of the tax rolls by the assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent thirty days after the due date. The property tax assessment for fiscal 2004 was formally levied on November 15, 2004 based on property values determined by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10% of its fair market value and other property at 15% of its market value. The tax is billed and collected by the Jefferson Parish Sheriff's Office which receives certain millage for its services. Most of the property taxes are received by the School System in the month of January; however, delinquent property taxes are received throughout the year and are recognized as revenue primarily when they are received except at year-end when they are accrued for a period not exceeding 60 days.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

Property tax is assessed for maintenance and operation and debt service for the School System as follows:

	No. of Mills
Maintenance and Operation	11.00
Constitutionally authorized	2.91
Teachers' salaries and benefits increases	9.00

### 5. SALES AND USE TAX

For the year ended June 30, 2004, a 4.75% local sales and use tax was levied and collected within Jefferson Parish by the Jefferson Parish Sheriff's Office of which 2% was received by the School System and dedicated for the following purposes:

1/2% (approved May 3, 1966) for teachers' salaries and operating expenses

1/2% (approved October 5, 1954 and January 12, 1971) for debt service purposes, for making capital improvements and/or for operating expenses (This represents 50% of a 1% tax levied by the Parish and dedicated to the School System.)

1/4% (approved June 28, 1980) for making capital improvements, with authority to issue additional bonds for such purpose, and paying the related maintenance and operating expenses

1/4% (approved June 28, 1980) for increasing salaries and fringe benefits of school teachers and other employees

1/2% (approved January 1, 2003) for increasing salaries and benefits of school teachers and other employees, establishing guidance programs, payment of debt service, and instruction and maintenance expense

### 6. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2004 (in thousands of dollars):

Governmental Activities	Compensated Absences	Claims and Judgments	Tax Bonds			LCDA Loan	Total
			Ad Valorem Tax Bonds	1954 Sales Tax Bonds	1980 Sales Tax Bonds		
Balance at July 1, 2003	\$ 24,584	\$ 408	\$ 13,370	\$ 81,940	\$ 80,955	\$ -	\$ 201,257
Issuance of debt						1,000	1,000
Bonds retired			(2,425)	(10,125)	(2,371)	(10)	(14,931)
Unamortized yield adjustment due to refunding				(74)			(74)
Discount accretion					(3,310)		(3,310)
Increase in estimate	1,118						1,118
Balance at June 30, 2004	<u>\$ 25,702</u>	<u>\$ 408</u>	<u>\$ 10,945</u>	<u>\$ 71,741</u>	<u>\$ 75,274</u>	<u>\$ 990</u>	<u>\$ 185,060</u>
Due within one year	<u>\$ 3,457</u>	<u>\$ -</u>	<u>\$ 2,545</u>	<u>\$ 15,275</u>	<u>\$ 2,216</u>	<u>\$ 990</u>	<u>\$ 24,483</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

Bonded debt at June 30, 2004 is comprised of the following governmental activities serial bond issues:

Description	Interest Rates	Final Maturity Date	Range of Annual Principal Payments		Amount Outstanding
			From	To	
<i>Ad valorem tax bonds:</i>					
\$22,000,000 issue of 3/1/99	3.8-4.125	3/01/08	\$2,454,000	\$2,935,000	\$ 10,945,000
Subtotal					<u>10,945,000</u>
<i>1954 1/2¢ sales tax bonds:</i>					
\$52,055,000 refunding issue of 12/1/01	5.00-5.25	2/01/08	8,300,000	9,675,000	35,905,000
Cumulative interest accretion on related bond discount					256,000
\$50,000,000 issue of 1/19/96	4.75-6.00	2/01/15	2,355,000	4,280,000	<u>35,580,000</u>
Subtotal					<u>71,741,000</u>
<i>1980 1/4¢ sales tax bonds:</i>					
\$53,645,264 refunding issue of 7/10/86, Series A	8.25-8.50	3/01/06	953,670	1,043,017	3,560,721
Cumulative interest accretion on related bond discount					11,991,000
\$33,380,000 refunding issue of 4/21/98	4.75-5.10	3/01/10	2,819,586	2,819,586	20,467,484
Cumulative interest accretion on related bond discount					6,900,000
\$33,000,000 issue of 3/1/02	4.40-7.00	3/01/22	335,000	2,930,000	<u>32,355,000</u>
Subtotal					<u>75,274,205</u>
LCDA loan issued - 2004	Variable	11/01/29	Variable		<u>989,500</u>
TOTAL					<u>\$ 158,949,705</u>

**Ad Valorem Tax Bonds**—The ad valorem tax bonds are payable solely from, and secured by, a special tax imposed and collected annually in excess of all other taxes on all of the property subject to taxation within the territorial limits of School District No. 1 of the Parish of Jefferson, Louisiana. At June 30, 2004, there was \$476,035 available in the debt service funds for servicing of these bonds.

**1954 1/2¢ Sales Tax Bonds**—The Series 1996 bonds and Series 2001 bonds are payable solely from, and secured by, an irrevocable pledge and dedication of the proceeds of the one-half percent (1/2%) sales and use tax authorized to be levied in the parish pursuant to elections held therein on October 5, 1954 and January 12, 1971. At June 30, 2004, \$16,307,651 was available in the debt service funds for servicing of these bonds.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

*1980 1/4¢ Sales Tax Bonds*—The Series 2002, 1998 and 1986A bonds are payable solely from, and secured by, an irrevocable pledge and dedication of the proceeds of a special one-fourth percent (1/4%) sales and use tax authorized to be levied in the parish pursuant to an election held therein on June 28, 1980. At June 30, 2004, \$15,609,830 was available in the debt service funds for servicing of these bonds. The Series 1986 and 1998 bonds were issued as discounted bonds with all principal and interest due at maturity. The discount is being accreted and reported as interest expense over the terms of the bonds.

*Louisiana Community Development Authority Loan*—In fiscal year 2004, the School System executed a loan agreement with the Louisiana Governmental Environmental Facilities and Community Development Authority (the “LCDA”) not to exceed \$2,500,000, for the purpose of providing funding for the purchase of property to be used as the site for an alternative school. Loan proceeds of \$1,000,000 were drawn down in 2004 and are recorded in a Debt Service Fund as a financing source. The loan agreements provide that the principal amount due thereon shall be only such amount as has been drawn down by the School System. During 2004, other funding sources were used for the purchase of the building, therefore the drawn amount was not utilized. The School System plans to repay the \$1,000,000 draw down in 2005 fiscal year. Disclosure of future debt principal and interest payments have been estimated based on the outstanding balance of \$989,500 at a variable rate (2.77% as of June 30, 2004) and planned repayment in fiscal year 2005.

The annual debt service requirements to amortize all of the School System’s outstanding bonds as of June 30, 2004 are as follows:

Year Ending June 30,	Principal Portion	Interest Portion	Total
2005	\$ 21,026,369	\$ 8,053,672	\$ 29,080,041
2006	23,507,853	4,531,346	28,039,199
2007	22,707,649	5,495,650	28,203,299
2008	23,133,702	5,022,609	28,156,311
2009	11,150,982	4,483,073	15,634,055
2010-2014	33,268,150	9,505,329	42,773,479
2015-2019	15,780,000	4,127,900	19,907,900
2020-2022	8,375,000	869,145	9,244,145
Total	<u>\$158,949,705</u>	<u>\$42,088,724</u>	<u>\$201,038,429</u>

There are a number of limitations and restrictions contained in the various bond indentures. As of June 30, 2004, the School System was in compliance with all significant limitations and restrictions, including arbitrage regulations.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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Certain outstanding Sales Tax Bonds of the School System have been defeased in prior years by placing the proceeds of refunding bonds into irrevocable escrow accounts held and managed by bank trustees and invested in U. S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay all future debt service requirements of the old bonds. Accordingly, the escrow accounts and the liability for the defeased bonds are not included in the School System's financial statements.

The defeased bonds outstanding at June 30, 2004 are as follows:

1954 1/2¢ Sales Tax Bonds: \$15,000,000 Series 1983D	\$10,790,000
1980 1/4¢ Sales Tax Bonds: \$53,645,264 Series 1986A	<u>5,575,796</u>
TOTAL	<u>\$16,365,796</u>

### 7. INDIVIDUAL FUND DISCLOSURES

#### Excess of Expenditures Over Appropriations

Formal budgetary appropriations are adopted for the General Fund and the Special Revenue Funds. Except for the Title I Special Revenue Fund budget, expenditures are budgeted at the function level, which is the level at which expenditures may not legally exceed appropriations. During fiscal year 2004, the General Fund expenditures exceeded budgeted amounts for supporting services by \$27,397; however, total revenues for the General fund exceeded those amounts budgeted by \$4,386,034. Additionally, during fiscal year 2004, total expenditures for the Community Education Fund were less than those budgeted by \$533,817, while expenditures for supporting services exceeded budgeted amounts by \$131,461, and total revenues for the Community Education Fund were less than those budgeted by \$551,891. The Adult Education Fund expenditures for instruction exceeded those amounts budgeted by \$77,620; however, total revenues for the Adult Education Fund exceeded those amounts budgeted by \$49,130. Expenditures for the Title I program are budgeted by object code. Title I expenditures exceeded budgeted amounts for salaries by \$972,169 and those amounts budgeted for purchased professional and technical services by \$179,791. Total revenues for the Title I program were less than those budgeted by \$1,670,315. Substantially all other Special Revenue Funds are expenditure driven funds for which available revenues equal expenditures. While budgets are adopted for each of these Special Revenue Funds, budget to actual comparisons are not meaningful due to the expenditure driven nature of the funds.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

### 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2004 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Elementary and Secondary Education Act of 1965 (Title I)	\$ 2,478,161
	Capital Projects - Dedicated Sales Tax	964,318
	School Lunch fund	5,765,858
	Nonmajor Governmental Funds	18,893,536
Elementary and Secondary Education Act of 1965 (Title I)	General Fund	38,249
	Nonmajor Governmental Funds	769,545
Capital Projects - Dedicated Sales Tax	General Fund	7,517,976
	Nonmajor Governmental Funds	4,000,000
School Lunch Fund	General Fund	233,366
	Nonmajor Governmental Funds	242,858
Nonmajor Governmental Funds	General Fund	4,128,644
	Capital Projects - Dedicated Sales Tax	9,405,751
	School Lunch Fund	166,868
	Nonmajor Governmental Funds	<u>450,191</u>
		<u>\$55,055,321</u>
Due to/from primary government and component unit:		
General Fund	Component Unit - Jefferson Community Charter School	\$ 601,075
Component Unit - Jefferson Community Charter School	Elementary and Secondary Education Act of 1965 (Title I)	9,072
	Nonmajor Governmental Funds	<u>1,098</u>
		<u>\$ 611,245</u>

The above balances represent short-term receivables and payables incurred in the normal course of the School System's operations.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

### Interfund Transfers:

	Transfers In				Total	Component Unit - Jefferson Community Charter School
	General Fund	Capital Projects - Dedicated Sales Tax	School Lunch Fund	Other Governmental Funds		
Transfers out:						
General Fund	\$ -	\$ 850,000	\$772,934	\$ 3,509,393	\$ 5,132,327	\$618,750
Capital Project - Dedicated Sales Tax				6,308,306	6,308,306	
Other Governmental Funds	<u>77,548</u>	<u>2,000,000</u>		<u>2,580,349</u>	<u>4,657,897</u>	
Total	<u>\$77,548</u>	<u>\$2,850,000</u>	<u>\$772,934</u>	<u>\$12,398,048</u>	<u>\$16,098,530</u>	<u>\$618,750</u>

The general fund transfers funds to the other governmental funds – special revenue funds to cover expenditure after a program has ended.

The general fund transfers ad valorem taxes to the other governmental funds – debt service for repayments to the associated debt.

The general fund transfers funds to the School Lunch fund as per Legislative Act R.S. 17d:192. The Child Nutrition department is to receive 12½% of the MFP formula for 1987-1988. Also, the State mandated raises in 1997 and 2004.

The general fund transfers sales taxes to the capital projects – dedicated sales tax and the other governmental funds – capital projects to fund capital projects.

### 9. RETIREMENT PLANS

Substantially all employees of the School System are required by State law to belong to retirement plans administered by the Teachers' Retirement System (TRS) or the School Employees' Retirement System (SERS), both of which are administered on a statewide basis. Each plan issues a separate financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing or calling the plan.

Teachers' Retirement System of Louisiana  
Post Office Box 94123  
Baton Rouge, Louisiana 70804-9123  
(225) 925-6446

Louisiana School Employees' Retirement System  
Post Office Box 44516  
Baton Rouge, Louisiana 70804-4516  
(225) 924-6484

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

Disclosures relating to these plans follow:

### A. TEACHERS' RETIREMENT SYSTEM

1. *Plan Description*—All teachers, administrators, and school lunch employees of the School System are covered by defined benefit contributory pension plans administered and controlled by a separate Board of Trustees. The Board of Trustees administers plans which are cost-sharing multiple-employer public employee retirement systems.

All teachers, administrators, and school lunch employees are eligible to participate in the TRS plans. Teachers and administrators belong to the Teachers' Regular Plan, and school lunch employees belong to the Teachers' Plan B plan. Benefits are established by State statute.

TRS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 5 years of credited service. Normal retirement is at age 60 with 10 years of service or 20 years of service regardless of age for the Teachers' Regular plan members. For the Teachers' Plan B plan members, normal retirement is at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service, and at age 60 with at least 10 years of creditable service. Retirement benefits are based upon the following formula percentages:

Years of Service	Minimum Age	Teachers' Regular	Teachers' Plan B
10	60	2.0% per year	1.0%-3.0% per year
20	Any age	2.0% per year	1.0%-3.0% per year
25	55	2.5% per year	1.0%-3.0% per year
30	Any age	2.5% per year	1.0%-3.0% per year
20	65	2.5% per year	1.0%-3.0% per year

The percentage formula is applied to the average of the highest three successive annual salaries. The benefit is payable for life with eight available annuity payment plans. The plans also provide various death and disability benefits, whereby the disabled employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

2. *Contributions Required and Made*—Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are as follows:

	Employee	Employer
Teachers' Regular	8.00%	13.8%
Teachers' Plan B	5.00%	13.8%

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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The School System's contributions to TRS for the years ended June 30, 2004, 2003 and 2002 were \$21,551,425, \$20,995,192 and \$20,905,626, respectively, equal to the required contributions for each year.

### B. SCHOOL EMPLOYEES' RETIREMENT SYSTEM

1. *Plan Description*—Employees who are not teachers, administrators, or school lunch employees are covered by defined benefit contributory pension plans administered and controlled on a statewide basis by a separate Board of Trustees. The Board of Trustees administers this plan which is a cost-sharing multiple-employer public employee retirement system.

All employees, other than teachers, administrators, and school lunch employees, are eligible to participate in the SERS. Benefits are established by State statute.

SERS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 5 years of credited service. Normal retirement is at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service, and at age 60 with at least 10 years of creditable service. The maximum retirement and disability benefit is an amount equal to 2 1/2% of the average compensation for the three highest consecutive years of credited service, multiplied by the number of years of service, plus a supplementary allowance of \$2.00 per month for each month of service. The plan also provides various death benefits, whereby the disabled employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

2. *Contributions Required and Made*—Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are 6.35% for participating employees and 6.00% for the School System.

The School System's contributions to SERS for the years ended June 30, 2004, 2003 and 2002 were \$723,415, \$-0- and \$-0-, respectively, equal to the required contributions for each year.

Due to the passage of House Bill 2174, the difference between the minimum employer contribution and the actuarially required employer contribution will be determined at the end of each fiscal year. The difference shall accumulate in an Employer Credit Account and earn interest at the actuarial rate of return earned by the Louisiana School Employees' Retirement System (LSERS). In previous fiscal years, the minimum employer contribution for LSERS has been greater than the LSERS actuarially required employer contribution; therefore, an employer credit currently exists. Based on this employer credit from previous years, the School System was not required to remit employer contributions to LSERS for the 2002/2003 fiscal year.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

### 10. COMMITMENTS AND CONTINGENCIES

*Claims and Judgments*—The insurance companies which insured the School System for workers' compensation and bus driver accidents during the two years ended December 31, 1981 and for general liability and automobile/bus driver accidents during the two years ended April 30, 1992 subsequently went bankrupt. As a result, the School System became liable for the outstanding claims which were being paid by the insurance companies on behalf of the School System. Total outstanding claims and judgments, including the claims discussed above, approximated \$407,817 at June 30, 2004, \$220,000 of which is considered long-term and \$187,817 of which is reported in the General Fund. The entire balance of \$407,817 is included in the GWFS and paid through the general fund.

Changes in the claims payable liability for the years ended June 30, 2004 and 2003 were as follows:

	2004	2003
Claims payable—beginning of year	\$ 407,817	\$ 414,504
Add (subtract): Changes in estimates		
Deduct: Claims payments	_____	(6,687)
Claims payable—end of year	<u>\$ 407,817</u>	<u>\$ 407,817</u>

*Workers' Compensation Claims*—Effective May 1, 1989, the School System adopted a self-insured workers' compensation plan administered by a service agent. Under the plan, the School System is self-insured for each individual claim during a calendar year up to \$200,000 with commercial insurance for claims in excess of that amount. The School System has determined, through an analysis of historical experience, the adequacy of the liability necessary to cover all losses and claims, both incurred and reported and incurred but not reported (IBNR), under its workers' compensation program. The liability is recorded in the General Fund at June 30, 2004.

Changes in the workers' compensation claims payable liability for the years ended June 30, 2004 and 2003 were as follows:

	2004	2003
Workers' compensation claims payable—beginning of year	\$2,244,278	\$2,371,900
Add claims and changes in estimates	310,210	690,590
Deduct claims payments	<u>(333,100)</u>	<u>(818,212)</u>
Workers' compensation claims payable—end of year	<u>\$2,221,388</u>	<u>\$2,244,278</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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*Other Risk Management*—The School System continues to carry commercial insurance for all other risks of loss, including general liability, automobile, and employee health insurance. There have been no significant changes in these insurance coverage amounts. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. Effective May 1, 2003, the School System became self-insured for general liability and property damage risks occurring after that date.

*Federal and State Programs*—Minimum foundation funding received from the State Department of Education is based primarily upon information concerning student enrollment at the School System's schools which is compiled by the School System and supplied to the State Department of Education. Federal funding for the School Lunch Program is based primarily upon the number and types of meals served and on user charges as reported to the United States Department of Agriculture. Federal and State funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made in compliance with program guidelines to the grantor agencies.

*Contingent Liabilities*—Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally by federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the School System expects such amounts, if any, to be immaterial.

### 11. RESERVATIONS AND DESIGNATIONS OF FUND BALANCES

Reservations of fund balances are established to indicate that portion of the fund balance which is not appropriable for expenditure or is legally segregated for a specific future use. Designations of fund balances represent tentative plans for financial resource utilization in a future period.

The nature and purpose of the reserves and designations are as follows:

*Reserved for Encumbrances*—This reserve was established for outstanding purchase orders and other commitments for unperformed contracts for goods and services which the School System intends to honor.

*Reserved for Prepaid Items*—This reserve was established as an offset against the asset, prepaid items, because it does not constitute an available spendable resource of the General Fund.

*Reserved for Debt Service*—This reserve represents the amounts reserved for payment of principal and interest maturing in future years.

*Designated for Capital Additions and Improvements*—The proceeds of various bond issues, a portion of the undedicated sales tax revenue designated by the Board, and the interest earned on the investment thereof are designated for capital projects in the Sales Tax Fund of the Capital Projects Fund to the extent that such amount has not been reserved for encumbrances.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

*Specific Programs*—The proceeds of the nine mills 2004<sup>1</sup> property tax dedicated for enhancements in teacher pay and benefits together with unexpended balances from non-major specific revenue funds have been reserved for expenditures in future years.

The reserved and unreserved components of fund balances at June 30, 2004, consist of the following:

	General Fund	Special Revenue	Debt Service	Capital Projects	Total
Reserved for:					
Encumbrances	\$ 1,257,321	\$ -	\$ -	\$ 6,767,780	\$ 8,025,101
Prepaid items	6,874,420				6,874,420
Debt service			33,373,696		33,373,696
Specific programs	<u>17,403,784</u>	<u>11,555,833</u>			<u>28,959,617</u>
Total	<u>25,535,525</u>	<u>11,555,833</u>	<u>33,373,696</u>	<u>6,767,780</u>	<u>77,232,834</u>
Unreserved - designated for:					
Capital additions and improvements				34,698,293	34,698,293
Total				<u>34,698,293</u>	<u>34,698,293</u>
Unreserved - undesignated	<u>12,436,026</u>	<u>(7,754)</u>			<u>12,428,272</u>
Total fund balance	<u>\$37,971,551</u>	<u>\$11,548,079</u>	<u>\$33,373,696</u>	<u>\$41,466,073</u>	<u>\$124,359,399</u>

On the budgetary basis, the reserved and unreserved components of the General Fund fund balance at June 30, 2004, consist of the following:

Reserved for:	
Encumbrances	\$ 1,257,321
Prepaid items	6,874,420
Other	<u>17,403,784</u>
Total	25,535,525
Unreserved—undesignated fund balance	<u>11,178,705</u>
Total fund balance on budgetary basis	<u>\$36,714,230</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2004

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### 12. POSTEMPLOYMENT HEALTH CARE BENEFITS

In accordance with State statutes, the School System provides certain continuing health care benefits for its retired employees. Substantially all of the School System's employees become eligible for these benefits if they reach normal retirement age while working for the School System. Currently, 4,078 retirees are eligible to participate in these benefits. These benefits for retirees are provided through an insurance company whose monthly premiums are paid jointly by the retirees and by the School System. During fiscal year 2004, the School System contributed 75% of the total premium for health care insurance provided to the retirees. The School System recognizes the cost of providing these benefits (the School System's portion of premiums) as an expenditure on a pay-as-you-go basis when the monthly premiums are due. The School System's net cost of providing all health care benefits to the approximately 5,373 active and 2,202 retired participating employees amounted to \$33,774,178 for 2004. For 2004, the School System's cost of premiums paid for retirees totaled \$12,333,204.

### 13. COMPONENT UNIT DISCLOSURES

#### Cash

In accordance with Louisiana statutes, the School System maintains deposits at those depository banks authorized by the School System. All such depositories are members of the Federal Reserve System.

Louisiana statutes require that all School System deposits be protected by insurance or collateral. The market value of collateral pledged must equal 100% of the deposits not covered by insurance.

Bank balances of \$571,904 at June 30, 2004 were insured or collateralized by securities held by the School System or its agent in the School System's name. The carrying amount of the deposits were \$571,904.

#### Capital Assets

A summary of changes in capital assets follows:

	Balance July 1, 2003	Additions	Deletions	Balance June 30, 2004
Land and improvements	\$ 31,620	\$ -	\$ -	\$ 31,620
Equipment	<u>145,262</u>	<u>1,134</u>	<u>          </u>	<u>146,396</u>
Total	<u>\$ 176,882</u>	<u>\$ 1,134</u>	<u>\$ -</u>	<u>\$ 178,016</u>

#### Other Revenues

Other revenues of \$92,854 included on the Statement of Activities (Statement B) primarily represent donations from the community.

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# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## GENERAL FUND

### SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

YEAR ENDED JUNE 30, 2004

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
Local sources:			
Property taxes:			
Constitutional	\$ 5,948,807	\$ 5,891,425	\$ 57,382
Special maintenance	22,488,688	22,269,990	218,698
Teacher salaries	18,179,238	17,000,000	1,179,238
Sheriff's contribution to teachers' retirement	2,279,429	2,000,000	279,429
Sales and use taxes	123,469,313	120,713,141	2,756,172
Tuition and other	390,410	850,000	(459,590)
Investment income	441,627	345,000	96,627
Rent and royalties	114,192	100,000	14,192
Hospitalization	313,730	300,000	13,730
Other	949,791	300,000	649,791
Total	<u>174,575,225</u>	<u>169,769,556</u>	<u>4,805,669</u>
State sources:			
Equalization	138,164,733	138,164,733	
Revenue sharing	2,113,205	2,240,539	(127,334)
Grants in aid	1,026,211	572,000	454,211
Professional improvement program	1,596,862	1,625,056	(28,194)
Transportation	1,061,797	1,250,000	(188,203)
Total	<u>143,962,808</u>	<u>143,852,328</u>	<u>110,480</u>
Federal sources:			
Recovery of indirect costs	998,850	1,500,000	(501,150)
Restricted grants in aid:			
Other	501,035	530,000	(28,965)
Total	<u>1,499,885</u>	<u>2,030,000</u>	<u>(530,115)</u>
<b>TOTAL REVENUES</b>	<u><b>\$320,037,918</b></u>	<u><b>\$315,651,884</b></u>	<u><b>\$ 4,386,034</b></u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

GENERAL FUND

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)  
YEAR ENDED JUNE 30, 2004

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
INSTRUCTION:			
Regular Programs:			
Salaries and benefits	\$111,944,370	\$ 111,788,627	\$ (155,743)
Materials and supplies	5,635,487	5,916,409	280,922
Equipment	286,629	162,000	(124,629)
Other	1,042,137	1,108,499	66,362
Total	118,908,623	118,975,535	66,912
Special Programs:			
Salaries and benefits	61,764,102	63,342,915	1,578,813
Materials and supplies	134,743	132,392	(2,351)
Equipment	17,823	23,900	6,077
Other	76,345	60,800	(15,545)
Total	61,993,013	63,560,007	1,566,994
Vocational Programs:			
Salaries and benefits	5,191,236	5,359,536	168,300
Materials and supplies	62,010	62,124	114
Total	5,253,246	5,421,660	168,414
Other Instructional Programs:			
Salaries and benefits	4,124,344	4,846,526	722,182
Materials and supplies	17,943	25,393	7,450
Other	1,307	1,807	500
Total	4,143,594	4,873,726	730,132
Adult Continuing Education Program:			
Salaries and benefits	76,240	61,623	(14,617)
Total	76,240	61,623	(14,617)
Total Instruction	190,374,716	192,892,551	2,517,835
SUPPORTING SERVICES:			
For Students:			
Salaries and benefits	11,661,644	11,200,227	(461,417)
Materials and supplies	1,487	2,000	513
Equipment	2,534	2,534	
Other	63,587	63,850	263
Total	11,729,252	11,268,611	(460,641)
For Instructional Staff:			
Salaries and benefits	5,168,422	4,997,693	(170,729)
Materials and supplies	330,986	353,907	22,921
Equipment		6,000	6,000
Other	152,476	193,405	40,929
Total	5,651,884	5,551,005	(100,879)

## GENERAL FUND

## SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

YEAR ENDED JUNE 30, 2004

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
SUPPORTING SERVICES - continued			
General Administration:			
Salaries and benefits	\$ 1,996,941	\$ 2,158,365	\$ 161,424
Materials and supplies	23,077	28,671	5,594
Other	<u>17,497,155</u>	<u>14,611,062</u>	<u>(2,886,093)</u>
Total	<u>19,517,173</u>	<u>16,798,098</u>	<u>(2,719,075)</u>
School Administration:			
Salaries and benefits	19,953,210	20,054,052	100,842
Materials and supplies	43,026	45,375	2,349
Other	<u>1,374,532</u>	<u>1,203,258</u>	<u>(171,274)</u>
Total	<u>21,370,768</u>	<u>21,302,685</u>	<u>(68,083)</u>
Business Services:			
Salaries and benefits	1,572,080	1,617,473	45,393
Materials and supplies	78,244	76,353	(1,891)
Equipment	57,980	60,180	2,200
Other	<u>871,038</u>	<u>781,698</u>	<u>(89,340)</u>
Total	<u>2,579,342</u>	<u>2,535,704</u>	<u>(43,638)</u>
Operations Maintenance Services:			
Salaries and benefits	9,807,002	9,735,570	(71,432)
Materials and supplies	915,847	954,298	38,451
Equipment	21,092	20,000	(1,092)
Utilities	6,770,338	7,408,462	638,124
Insurance	1,660,358	1,529,767	(130,591)
Other	<u>4,267,211</u>	<u>5,991,591</u>	<u>1,724,380</u>
Total	<u>23,441,848</u>	<u>25,639,688</u>	<u>2,197,840</u>
Pupil Transportation Services:			
Salaries and benefits	12,045,923	14,069,612	2,023,689
Materials and supplies	21,345	22,541	1,196
Equipment	10,677	15,400	4,723
Other	<u>1,887,176</u>	<u>839,881</u>	<u>(1,047,295)</u>
Total	<u>13,965,121</u>	<u>14,947,434</u>	<u>982,313</u>
Central Activity Services:			
Salaries and benefits	2,175,378	2,207,362	31,984
Materials and supplies	225,870	220,957	(4,913)
Equipment	171,157	123,096	(48,061)
Other	<u>238,914</u>	<u>444,670</u>	<u>205,756</u>
Total	<u>2,811,319</u>	<u>2,996,085</u>	<u>184,766</u>
Total Supporting Services	<u>101,066,707</u>	<u>101,039,310</u>	<u>(27,397)</u>

GENERAL FUND  
 SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)  
 YEAR ENDED JUNE 30, 2004

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
NON-INSTRUCTION:			
Food Services:			
Other	<u>8,360</u>	<u>310,000</u>	<u>301,640</u>
Total	<u>8,360</u>	<u>310,000</u>	<u>301,640</u>
Total Non-Instruction	<u>8,360</u>	<u>310,000</u>	<u>301,640</u>
TOTAL INSTRUCTION, SUPPORTING SERVICES AND NON-INSTRUCTION	<u>\$291,449,783</u>	<u>\$294,241,861</u>	<u>\$ 2,792,078</u>

## NON-MAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

*Special Revenue Funds* are used to account for funds received from other governmental agencies that are legally restricted to expenditure for specified purposes. These funds also account for receipt and expenditure of resources transferred from the General Fund when these funds are inadequate to finance the specified activities. The Title I Fund as described on page 27 has been identified as a major fund. Activities included within the non-major special revenue funds are as follows:

### *ESEA (Title III)*

Used to account on a project basis for funds allocated to programs for development and implementation of comprehensive reform plans to improve the teachings and learning of all children (Project Goals 2000) and to support the development and implementation of systematic technology plans (Technology Literary Challenge).

### *ESEA (Title VII)*

Used to account on a project basis for funds allocated to programs for carrying out bilingual education (Project S.T.A.R.).

### *IDEA Part B*

Used to account on a project basis for funds allocated to programs for children with disabilities under P.L. 101-476.

### *Vocational Education*

Used to account on a project basis for funds allocated to programs for purposes of vocational education, guidance, and counseling.

### *Temporary Assistance for Needy Families*

Used to assist needy families with children so that children can be cared for in their own homes, also to reduce dependency by promoting job preparation, work and marriage.

### *ESEA Title II*

Used to account on a project basis for funds allocated to programs for improving the skills of teachers and instruction in mathematics, science, foreign languages and computer science.

### *Refugee and Entrant Assistance*

Used to assist school districts heavily impacted by refugee students that need to provide supplementary services to that particular population and their parents.

### *Indian Education Act*

Used to account on a project basis for funds allocated to programs designed to meet the special educational or culturally related academic needs of Indian children.

### *Drug Free Schools and Communities*

Used to account on a project basis for funds granted by P.L. 99-570 to help implement drug and alcohol abuse prevention and education programs.

### *Emergency Immigration Act*

Used to account on a project basis for funds granted by P.L. 98-511 for programs for immigrant children enrolled in elementary and secondary schools.

### *Title XIX - School Nurse*

Used to account on a project basis for funds allocated to providing schools with nurses.

*After School Learning Center*

Used to create community learning centers that provide academic enrichment opportunities for children, particularly students who attend high-poverty and low-performing schools.

*Tuition Preschool*

Used to account for a pre-kindergarten program whose goal is to provide high quality early education and care services for four-year-old children.

*Adult Education*

Used to account for continuing education programs designed to assist adults in obtaining their high school diploma equivalency.

*Community Education*

Used to account for a wide variety of informal leisure learning classes and activities for Jefferson Parish residents.

*State Programs*

Used to account for miscellaneous State grant programs.

## DEBT SERVICE FUNDS

*Debt Service Funds* are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The School System maintains the following Debt Service Funds:

*Ad Valorem Tax Bond Sinking Fund* is used to accumulate the proceeds of ad valorem taxes which are specifically dedicated for debt service.

*1954 1/2¢ and 1980 1/4¢ Sales Tax Bond Sinking Funds* are used to accumulate that portion of the 1954 and 1980 sales and use tax required to meet the debt service requirements. Monthly deposits out of the proceeds of the sales and use tax are required to be made into these funds in an amount which will equal 1/6 of the interest falling due on the next interest payment date and 1/12 of the principal falling due on the next principal payment date.

*1954 1/2¢ and 1980 1/4¢ Sales Tax Bond Reserve Funds* are used to accumulate that portion of the 1954 and 1980 sales and use tax which is set aside for the purpose of paying principal and interest on bonds payable. Monthly deposits of sales and use tax proceeds are required to be made into these funds until the required reserve has been established.

*LCDA Loan*—Obtained to provide funding for the purchase of property to be used as the site for an alternative school.

## CAPITAL PROJECTS FUNDS

*Capital Projects Funds* are used to account for the acquisition or construction of major capital facilities. The School System maintains two capital project funds, the sales tax fund classified as a major fund and the non-major fund described as follows:

*Capital Fund* is used to account for that portion of the undedicated sales tax revenue which is designated by the School Board annually for capital additions and improvements and the proceeds of the 1999 Ad Valorem tax bonds for making capital improvements.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2004

	Total Non-Major Special Revenue	Total Non-Major Debt Service	Capital Projects - Capital Fund	Total
<b>ASSETS</b>				
Cash and investments	\$24,755,837	\$23,974,830	\$11,327,004	\$ 60,057,671
Accounts receivable	164,348			164,348
Due from other funds	1,803,922	9,403,767	2,943,765	14,151,454
Due from other governmental units	<u>12,872,863</u>			<u>12,872,863</u>
<b>TOTAL ASSETS</b>	<u>\$39,596,970</u>	<u>\$33,378,597</u>	<u>\$14,270,769</u>	<u>\$ 87,246,336</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 8,907,737	\$ 1,870	\$ 344,184	\$ 9,253,791
Retainages payable			92,805	92,805
Due to other funds	19,030,963	3,031	5,323,234	24,357,228
Due to other governmental units	51,359			51,359
Deferred revenue	<u>58,832</u>			<u>58,832</u>
Total liabilities	<u>28,048,891</u>	<u>4,901</u>	<u>5,760,223</u>	<u>33,814,015</u>
<b>FUND BALANCE:</b>				
Reserved	11,555,833	33,373,696	929,170	45,858,699
Unreserved:				
Designated			7,581,376	7,581,376
Undesignated	<u>(7,754)</u>			<u>(7,754)</u>
Total fund balance	<u>11,548,079</u>	<u>33,373,696</u>	<u>8,510,546</u>	<u>53,432,321</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$39,596,970</u>	<u>\$33,378,597</u>	<u>\$14,270,769</u>	<u>\$ 87,246,336</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE COMBINING BALANCE SHEET JUNE 30, 2004

	Elementary and Secondary Education Act of 1965 (Title III)	Elementary and Secondary Education Act of 1965 (Title VII)	Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Temporary Assistance for Needy Families
<b>ASSETS</b>					
Cash and investments	\$ 108,236	\$ -	\$ 328,670	\$ -	\$4,929,121
Accounts receivable	5				1,259
Due from other funds	4,006		72,666	12,285	167,168
Due from other governmental units	<u>320,420</u>	<u>51,549</u>	<u>6,526,532</u>	<u>507,259</u>	<u>762,719</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 432,667</u></b>	<b><u>\$ 51,549</u></b>	<b><u>\$ 6,927,868</u></b>	<b><u>\$ 519,544</u></b>	<b><u>\$5,860,267</u></b>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 100,298	\$ 30,832	\$ 1,090,348	\$ 148,353	\$ 86,623
Due to other funds	315,368	20,717	5,795,391	371,191	4,663,098
Due to other governmental units			43,244		6,009
Deferred revenue					<u>57,556</u>
Total liabilities	<u>415,666</u>	<u>51,549</u>	<u>6,928,983</u>	<u>519,544</u>	<u>4,813,286</u>
<b>FUND BALANCE:</b>					
Reserved	17,001				1,046,981
Unreserved:					
Designated					
Undesignated			(1,115)		
Total fund balance	<u>17,001</u>		<u>(1,115)</u>		<u>1,046,981</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 432,667</u></b>	<b><u>\$ 51,549</u></b>	<b><u>\$ 6,927,868</u></b>	<b><u>\$ 519,544</u></b>	<b><u>\$5,860,267</u></b>

Education for Economic Security Act Title II	Refugee and Entrant Assistance	Indian Education Act	Drug Free Schools and Communities	Emergency Immigration Act	Title XIX School Nurse
\$ 3,407	\$ -	\$ -	\$ -	\$ -	\$ 361,956
59,415			2,818		87,568
<u>1,612,632</u>	<u>17,959</u>	<u>17,328</u>	<u>305,329</u>	<u>          </u>	<u>          </u>
<u>\$1,675,454</u>	<u>\$ 17,959</u>	<u>\$17,328</u>	<u>\$308,147</u>	<u>\$ -</u>	<u>\$ 449,524</u>
\$ 458,282	\$ 262	\$ 8,329	\$ 93,103	\$ -	\$ -
1,223,811	17,697	8,999	215,044		75,413
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>1,682,093</u>	<u>17,959</u>	<u>17,328</u>	<u>308,147</u>	<u>          </u>	<u>75,413</u>
					374,111
<u>(6,639)</u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>(6,639)</u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>374,111</u>
<u>\$1,675,454</u>	<u>\$ 17,959</u>	<u>\$17,328</u>	<u>\$308,147</u>	<u>\$ -</u>	<u>\$ 449,524</u>

(Continued)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE COMBINING BALANCE SHEET JUNE 30, 2004

	After School Learning Center	Tuition Preschool	Adult Education	Community Education	State Programs	Total
<b>ASSETS</b>						
Cash and investments	\$ -	\$ -	\$ 834,186	\$ 6,412,855	\$ 11,777,406	\$ 24,755,837
Accounts receivable			5,210		157,874	164,348
Due from other funds	653	234,757	7,564	102,811	1,052,211	1,803,922
Due from other governmental units	<u>26,647</u>		<u>108,301</u>		<u>2,616,188</u>	<u>12,872,863</u>
<b>TOTAL ASSETS</b>	<u>\$ 27,300</u>	<u>\$ 234,757</u>	<u>\$ 955,261</u>	<u>\$ 6,515,666</u>	<u>\$ 15,603,679</u>	<u>\$ 39,596,970</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES:</b>						
Accounts payable and other liabilities	\$ 21,550	\$ 102,627	\$ -	\$ 4,869,925	\$ 1,897,205	\$ 8,907,737
Due to other funds	5,750	127,217	832,202	2,856	5,356,209	19,030,963
Due to other governmental units					2,106	51,359
Deferred revenue					<u>1,276</u>	<u>58,832</u>
<b>Total liabilities</b>	<u>27,300</u>	<u>229,844</u>	<u>832,202</u>	<u>4,872,781</u>	<u>7,256,796</u>	<u>28,048,891</u>
<b>FUND BALANCE:</b>						
Reserved		4,913	123,059	1,642,885	8,346,883	11,555,833
Unreserved: Undesignated						<u>(7,754)</u>
<b>Total fund balance</b>		<u>4,913</u>	<u>123,059</u>	<u>1,642,885</u>	<u>8,346,883</u>	<u>11,548,079</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 27,300</u>	<u>\$ 234,757</u>	<u>\$ 955,261</u>	<u>\$ 6,515,666</u>	<u>\$ 15,603,679</u>	<u>\$ 39,596,970</u>

(Concluded)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS - DEBT SERVICE COMBINING BALANCE SHEET JUNE 30, 2004

	Ad Valorem Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Reserve	1980 1/4¢ Sales Tax Bond Sinking	1980 1/4¢ Sales Tax Bond Reserve	LCDA Loan	Total
<b>ASSETS</b>							
Cash and investments	\$479,066	\$ 58,701	\$10,286,950	\$ 28,427	\$12,139,636	\$982,050	\$23,974,830
Due from other funds		5,962,000		3,441,767			9,403,767
<b>TOTAL ASSETS</b>	<u>\$479,066</u>	<u>\$6,020,701</u>	<u>\$10,286,950</u>	<u>\$3,470,194</u>	<u>\$12,139,636</u>	<u>\$982,050</u>	<u>\$33,378,597</u>
<b>LIABILITIES AND FUND BALANCE</b>							
<i>LIABILITIES:</i>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,870	\$ 1,870
Due to other funds	3,031						3,031
Total liabilities	3,031					1,870	4,901
<i>FUND BALANCE:</i>							
Reserved	476,035	6,020,701	10,286,950	3,470,194	12,139,636	980,180	33,373,696
Total fund balance	476,035	6,020,701	10,286,950	3,470,194	12,139,636	980,180	33,373,696
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$479,066</u>	<u>\$6,020,701</u>	<u>\$10,286,950</u>	<u>\$3,470,194</u>	<u>\$12,139,636</u>	<u>\$982,050</u>	<u>\$33,378,597</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2004

	Total Non-Major Special Revenue	Total Non-Major Debt Service	Capital Projects - Capital Fund	Total
REVENUES:				
Local sources:				
Sales and use taxes	\$ -	\$22,068,902	\$ 3,000,000	\$25,068,902
Tuition and other	5,448,622			5,448,622
Interest income		354,938	152,484	507,422
Other	823,839		2,200	826,039
Federal sources	24,984,058			24,984,058
State sources	11,163,792			11,163,792
<b>Total revenues</b>	<b>42,420,311</b>	<b>22,423,840</b>	<b>3,154,684</b>	<b>67,998,835</b>
EXPENDITURES:				
Current:				
Instruction:				
Salaries and benefits	16,347,822			16,347,822
Supplies	3,905,816			3,905,816
Other	2,911,142			2,911,142
<b>Total instruction</b>	<b>23,164,780</b>			<b>23,164,780</b>
Supporting services:				
Salaries and benefits	9,118,057			9,118,057
Supplies	852,081			852,081
Other	2,172,928	3,170		2,176,098
<b>Total supporting services</b>	<b>12,143,066</b>	<b>3,170</b>		<b>12,146,236</b>
Non-instruction:				
Community services:				
Salaries and benefits	2,501,588			2,501,588
Other	24,589			24,589
<b>Total community services</b>	<b>2,526,177</b>			<b>2,526,177</b>
Other	521,785			521,785
<b>Total non-instruction</b>	<b>3,047,962</b>			<b>3,047,962</b>
Capital Outlay:				
Construction costs			6,522,740	6,522,740
Architect fees			212,880	212,880
Administrative and other			518,261	518,261
<b>Total capital outlay</b>			<b>7,253,881</b>	<b>7,253,881</b>

(Continued)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2004

	Total Non-Major Special Revenue	Total Non-Major Debt Service	Capital Projects - Capital Fund	Total
Debt Service:				
Principal retirement		14,931,769		14,931,769
Interest and fiscal charges		12,759,543		12,759,543
Total debt service		27,691,312		27,691,312
Total expenditures	38,355,808	27,694,482	7,253,881	73,304,171
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,064,503	(5,270,642)	(4,099,197)	(5,305,336)
OTHER FINANCING SOURCES (USES):				
Transfers in	1,120,804	8,074,817	3,202,427	12,398,048
Transfers out	(656,027)	(1,001,870)	(3,000,000)	(4,657,897)
Proceeds from issuance of debt		1,000,000		1,000,000
Total other financing sources (uses)—net	464,777	8,072,947	202,427	8,740,151
NET CHANGE IN FUND BALANCE	4,529,280	2,802,305	(3,896,770)	3,434,815
FUND BALANCES— Beginning of year	7,018,799	30,571,391	12,407,316	49,997,506
FUND BALANCES— End of year	<u>\$ 11,548,079</u>	<u>\$ 33,373,696</u>	<u>\$ 8,510,546</u>	<u>\$ 53,432,321</u>

(Concluded)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2004

	Elementary and Secondary Education Act of 1965 (Title III)	Elementary and Secondary Education Act of 1965 (Title VII)	Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Temporary Assistance for Needy Families
REVENUES:					
Local sources:					
Tuition and other	\$ -	\$ -	\$ -	\$ -	\$ 270,567
Other	91,981		8,793		247,903
Federal sources	969,139	158,346	9,384,838	914,447	5,753,192
State sources					47,657
Total revenues	<u>1,061,120</u>	<u>158,346</u>	<u>9,393,631</u>	<u>914,447</u>	<u>6,319,319</u>
EXPENDITURES (All current):					
Instruction:					
Salaries and benefits	442,031	41,955	4,984,423		4,523,957
Supplies	77,847	29,116	1,240,156	223,459	527,245
Other	47,288	26,992	971,741	411,808	389,189
Total instruction	<u>567,166</u>	<u>98,063</u>	<u>7,196,320</u>	<u>635,267</u>	<u>5,440,391</u>
Supporting services:					
Salaries and benefits	410,155	25,613	2,008,513	222,242	288,649
Supplies		1,750	181		
Other	690		23,385	69,237	47,031
Total supporting services	<u>410,845</u>	<u>27,363</u>	<u>2,032,079</u>	<u>291,479</u>	<u>335,680</u>
Non-instruction:					
Community services:					
Salaries and benefits	48,188	28,155			384,356
Supplies					
Other					115
Total community services	<u>48,188</u>	<u>28,155</u>			<u>384,471</u>
Other	<u>17,920</u>	<u>4,765</u>	<u>194,983</u>		<u>147,098</u>
Total non-instruction	<u>66,108</u>	<u>32,920</u>	<u>194,983</u>		<u>531,569</u>
Total expenditures	<u>1,044,119</u>	<u>158,346</u>	<u>9,423,382</u>	<u>926,746</u>	<u>6,307,640</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>17,001</u>		<u>(29,751)</u>	<u>(12,299)</u>	<u>11,679</u>

Education for Economic Security Act Title II	Refugee and Entrant Assistance	Indian Education Act	Drug Free Schools and Communities	Emergency Immigration Act	Title XIX School Nurse
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,155,097	56,881	50,173	887,472	20,726	407,352
<u>4,155,097</u>	<u>56,881</u>	<u>50,173</u>	<u>887,472</u>	<u>20,726</u>	<u>407,352</u>
3,081,329		30,895	1,135		
31,575	60	5,674	43,607	1,338	
186,609	1,126	9,443	57,699	19,388	
<u>3,299,513</u>	<u>1,186</u>	<u>46,012</u>	<u>102,441</u>	<u>20,726</u>	
732,323	54,096	2,401	748,623		243,775
		389			7,019
15,088		15	17,470		55,452
<u>747,411</u>	<u>54,096</u>	<u>2,805</u>	<u>766,093</u>		<u>306,246</u>
114,812	1,599	1,356	18,938		
<u>114,812</u>	<u>1,599</u>	<u>1,356</u>	<u>18,938</u>		
4,161,736	56,881	50,173	887,472	20,726	306,246
<u>(6,639)</u>					<u>101,106</u>

(Continued)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2004

	After School Learning Center	Tuition Preschool	Adult Education	Community Education	State Programs	Total
REVENUES:						
Local sources:						
Tuition and other	\$ -	\$224,635	\$ 92,433	\$2,934,020	\$1,926,967	\$ 5,448,622
Other			205,609		269,553	823,839
Federal sources	764,598		502,891	241,368	717,538	24,984,058
State sources			294,094		10,822,041	11,163,792
<b>Total revenues</b>	<u>764,598</u>	<u>224,635</u>	<u>1,095,027</u>	<u>3,175,388</u>	<u>13,736,099</u>	<u>42,420,311</u>
EXPENDITURES (All current):						
Instruction:						
Salaries and benefits		314,274	498,828	115,537	2,313,458	16,347,822
Supplies	74,110	67	127,124	726,377	798,061	3,905,816
Other	244,461	2,885	116,046	74,008	352,459	2,911,142
<b>Total instruction</b>	<u>318,571</u>	<u>317,226</u>	<u>741,998</u>	<u>915,922</u>	<u>3,463,978</u>	<u>23,164,780</u>
Supporting services:						
Salaries and benefits	425,503	2,139	399,042	200,292	3,354,691	9,118,057
Supplies				13,233	829,509	852,081
Other	210		53,927	152,068	1,738,355	2,172,928
<b>Total supporting services</b>	<u>425,713</u>	<u>2,139</u>	<u>452,969</u>	<u>365,593</u>	<u>5,922,555</u>	<u>12,143,066</u>
Non-instruction:						
Community services:						
Salaries and benefits		128,958		1,887,473	24,458	2,501,588
Other				24,474		24,589
<b>Total community services</b>		<u>128,958</u>		<u>1,911,947</u>	<u>24,458</u>	<u>2,526,177</u>
Other	20,314					521,785
<b>Total non-instruction</b>	<u>20,314</u>	<u>128,958</u>		<u>1,911,947</u>	<u>24,458</u>	<u>3,047,962</u>
<b>Total expenditures</b>	<u>764,598</u>	<u>448,323</u>	<u>1,194,967</u>	<u>3,193,462</u>	<u>9,410,991</u>	<u>38,355,808</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES						
		<u>(223,688)</u>	<u>(99,940)</u>	<u>(18,074)</u>	<u>4,325,108</u>	<u>4,064,503</u>

(Continued)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2004

	Elementary and Secondary Education Act of 1965 (Title III)	Elementary and Secondary Education Act of 1965 (Title VII)	Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Temporary Assistance for Needy Families
OTHER FINANCING SOURCES (USES):					
Transfers in			12,169	12,299	400,855
Transfers out					(569,101)
Total other financing sources (uses)—net			12,169	12,299	(168,246)
NET CHANGE IN FUND BALANCES	17,001		(17,582)		(156,567)
FUND BALANCES— Beginning of year			16,467		1,203,548
FUND BALANCES— End of year	\$ 17,001	\$ -	\$ (1,115)	\$ -	\$ 1,046,981

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Education for Economic Security Act Title II	Refugee and Entrant Assistance	Indian Education Act	Drug Free Schools and Communities	Emergency Immigration Act	Title XIX School Nurse
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
(6,639)					101,106
_____	_____	_____	_____	_____	<u>273,005</u>
<u>\$ (6,639)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,111</u>

(Continued)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2004

	After School Learning Center	Tuition Preschool	Adult Education	Community Education	State Programs	Total
OTHER FINANCING SOURCES						
(USES):						
Transfers in		223,688		6,295	465,498	1,120,804
Transfers out					(86,926)	(656,027)
Total other financing sources (uses)—net		<u>223,688</u>		<u>6,295</u>	<u>378,572</u>	<u>464,777</u>
NET CHANGE IN FUND BALANCES			(99,940)	(11,779)	4,703,680	4,529,280
FUND BALANCES—						
Beginning of year		<u>4,913</u>	<u>222,999</u>	<u>1,654,664</u>	<u>3,643,203</u>	<u>7,018,799</u>
FUND BALANCES—						
End of year	<u>\$ -</u>	<u>\$ 4,913</u>	<u>\$ 123,059</u>	<u>\$ 1,642,885</u>	<u>\$ 8,346,883</u>	<u>\$ 11,548,079</u>

(Concluded)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS - DEBT SERVICE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2004

	Ad Valorem Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Reserve	1980 1/4¢ Sales Tax Bond Sinking	1980 1/4¢ Sales Tax Bond Reserve	LCDA Loan	Total
REVENUES:							
Local sources:							
Sales and use taxes	\$ -	\$ 11,287,183	\$ -	\$ 10,781,719	\$ -	\$ -	\$ 22,068,902
Interest income	17,819	17,125	133,072	19,369	156,676	10,877	354,938
Other							
Total revenues	<u>17,819</u>	<u>11,304,308</u>	<u>133,072</u>	<u>10,801,088</u>	<u>156,676</u>	<u>10,877</u>	<u>22,423,840</u>
EXPENDITURES:							
Supporting services:							
Salaries and benefits							
Supplies							
Other	<u>3,031</u>		<u>5</u>		<u>25</u>	<u>109</u>	<u>3,170</u>
Total supporting services	<u>3,031</u>		<u>5</u>		<u>25</u>	<u>109</u>	<u>3,170</u>
Debt Service:							
Principal retirement	2,425,000	10,125,000		2,371,269		10,500	14,931,769
Interest and fiscal charges	<u>531,374</u>	<u>4,201,300</u>		<u>8,008,651</u>		<u>18,218</u>	<u>12,759,543</u>
Total debt service	<u>2,956,374</u>	<u>14,326,300</u>		<u>10,379,920</u>		<u>28,718</u>	<u>27,691,312</u>
Total expenditures	<u>2,959,405</u>	<u>14,326,300</u>	<u>5</u>	<u>10,379,920</u>	<u>25</u>	<u>28,827</u>	<u>27,694,482</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,941,586)</u>	<u>(3,021,992)</u>	<u>133,067</u>	<u>421,168</u>	<u>156,651</u>	<u>(17,950)</u>	<u>(5,270,642)</u>
OTHER FINANCING SOURCES (USES):							
Transfers in	3,000,000	4,074,817				1,000,000	8,074,817
Transfers out						(1,001,870)	(1,001,870)
Proceeds from issuance of debt						<u>1,000,000</u>	<u>1,000,000</u>
Total other financing sources (uses)—net	<u>3,000,000</u>	<u>4,074,817</u>				<u>998,130</u>	<u>8,072,947</u>
NET CHANGE IN FUND BALANCES	58,414	1,052,825	133,067	421,168	156,651	980,180	2,802,305
FUND BALANCE—Beginning of year	<u>417,621</u>	<u>4,967,876</u>	<u>10,153,883</u>	<u>3,049,026</u>	<u>11,982,985</u>		<u>30,571,391</u>
FUND BALANCE—End of year	<u>\$ 476,035</u>	<u>\$ 6,020,701</u>	<u>\$ 10,286,950</u>	<u>\$ 3,470,194</u>	<u>\$ 12,139,636</u>	<u>\$ 980,180</u>	<u>\$ 33,373,696</u>

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - ADULT EDUCATION FUND YEAR ENDED JUNE 30, 2004

	Original Budget	Revised Budget	Actual on Budgetary Basis	Variance from Revised Budget Positive (Negative)
<b>REVENUES:</b>				
Federal sources	\$ 609,897	\$ 504,614	\$ 502,891	\$ (1,723)
State sources	577,849	296,633	294,094	(2,539)
Tuition and other	<u>561,806</u>	<u>244,650</u>	<u>298,042</u>	<u>53,392</u>
Total revenues	<u>1,749,552</u>	<u>1,045,897</u>	<u>1,095,027</u>	<u>49,130</u>
<b>EXPENDITURES:</b>				
Instruction	1,238,999	664,378	741,998	(77,620)
Supporting	<u>510,553</u>	<u>717,060</u>	<u>452,969</u>	<u>264,091</u>
Total expenditures	<u>1,749,552</u>	<u>1,381,438</u>	<u>1,194,967</u>	<u>186,471</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>				
		(335,541)	(99,940)	235,601
FUND BALANCE—Beginning of year	<u>222,999</u>	<u>222,999</u>	<u>222,999</u>	<u>          </u>
FUND BALANCE—End of year	<u>\$ 222,999</u>	<u>\$ (112,542)</u>	<u>\$ 123,059</u>	<u>\$ 235,601</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - COMMUNITY EDUCATION FUND YEAR ENDED JUNE 30, 2004

	Original Budget	Revised Budget	Actual on Budgetary Basis	Variance from Revised Budget Positive (Negative)
<b>REVENUES:</b>				
Federal	\$ -	\$ -	\$ 241,368	\$ 241,368
Tuition and other	<u>5,011,396</u>	<u>3,727,279</u>	<u>2,934,020</u>	<u>(793,259)</u>
Total revenues	<u>5,011,396</u>	<u>3,727,279</u>	<u>3,175,388</u>	<u>(551,891)</u>
<b>EXPENDITURES:</b>				
Instruction	1,113,238	1,102,973	915,922	187,051
Supporting	210,429	234,132	365,593	(131,461)
Non-instruction	<u>3,687,729</u>	<u>2,390,174</u>	<u>1,911,947</u>	<u>478,227</u>
Total expenditures	<u>5,011,396</u>	<u>3,727,279</u>	<u>3,193,462</u>	<u>533,817</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>			(18,074)	(18,074)
<b>OTHER FINANCING SOURCES (USES)</b>			<u>6,295</u>	<u>6,295</u>
<b>NET CHANGE IN FUND BALANCE</b>			(11,779)	(11,779)
FUND BALANCE—Beginning of year	<u>1,654,664</u>	<u>1,654,664</u>	<u>1,654,664</u>	
FUND BALANCE—End of year	<u>\$ 1,654,664</u>	<u>\$ 1,654,664</u>	<u>\$ 1,642,885</u>	<u>\$ (11,779)</u>

## AGENCY FUNDS

*Agency Funds* are established to account for all monies held by the School System in an agency capacity. Disbursements are made only in accordance with the purpose for which assets are received. Activities included within these funds are as follows:

*School and Student Activity Funds*

Used to account for revenues and expenditures for individual school purchases and student body activities, including minor fund raising, field trips and special events.

*School Picture Fund*

Used to account for security deposits received from school photographers.

*Stadium Fund*

Used to account for funds generated for the operation of the Yenni, Memtsas and Bonnabel Stadiums.

*School System Event Fund*

Used to account for the receipts and disbursements of employee athletic events.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS  
YEAR ENDED JUNE 30, 2004**

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<b>SCHOOL AND STUDENT ACTIVITY FUNDS</b>				
ASSETS:				
Cash and investments	<u>\$4,340,884</u>	<u>\$7,634,120</u>	<u>\$ 7,741,303</u>	<u>\$4,233,701</u>
LIABILITIES:				
Due to student groups	\$2,175,971	\$ (390,904)	\$ 276,998	\$1,508,069
Due to schools	2,164,618	8,001,268	7,441,026	2,724,860
Due to others	<u>295</u>	<u>23,756</u>	<u>23,279</u>	<u>772</u>
<b>TOTAL</b>	<u><b>\$4,340,884</b></u>	<u><b>\$7,634,120</b></u>	<u><b>\$ 7,741,303</b></u>	<u><b>\$4,233,701</b></u>
<b>SCHOOL PICTURE FUND</b>				
ASSETS:				
Cash and investments	<u>\$ 37,499</u>	<u>\$ 7,544</u>	<u>\$ -</u>	<u>\$ 45,043</u>
LIABILITIES:				
Due to photographers	<u>\$ 37,499</u>	<u>\$ 7,544</u>	<u>\$ -</u>	<u>\$ 45,043</u>
<b>STADIUM FUND</b>				
ASSETS:				
Cash and investments	<u>\$ 7,934</u>	<u>\$ 154</u>	<u>\$ -</u>	<u>\$ 8,088</u>
LIABILITIES:				
Due to stadium clubs	<u>\$ 7,934</u>	<u>\$ 154</u>	<u>\$ -</u>	<u>\$ 8,088</u>
<b>SCHOOL SYSTEM EVENT FUND</b>				
ASSETS:				
Cash and investments	<u>\$ 6,723</u>	<u>\$ 2,028</u>	<u>\$ 1,393</u>	<u>\$ 7,358</u>
LIABILITIES:				
Due to participants	<u>\$ 6,723</u>	<u>\$ 2,028</u>	<u>\$ 1,393</u>	<u>\$ 7,358</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS**

**YEAR ENDED JUNE 30, 2004**

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>ASSETS:</b>				
Cash and investments	<u>\$4,393,040</u>	<u>\$ 7,643,846</u>	<u>\$ 7,742,696</u>	<u>\$4,294,190</u>
<b>LIABILITIES:</b>				
Due to student groups	\$2,175,971	\$ (390,904)	\$ 276,998	\$1,508,069
Due to schools	2,164,618	8,001,268	7,441,026	2,724,860
Due to others	295	23,756	23,279	772
Due to photographers	37,499	7,544		45,043
Due to stadium clubs	7,934	154		8,088
Due to participants	<u>6,723</u>	<u>2,028</u>	<u>1,393</u>	<u>7,358</u>
<b>TOTAL</b>	<u>\$4,393,040</u>	<u>\$ 7,643,846</u>	<u>\$ 7,742,696</u>	<u>\$4,294,190</u>

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### **OTHER SUPPLEMENTAL INFORMATION**

The schedules within this subsection are presented as supplementary information to expand upon the data presented in the other subsections of the Financial Section.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## SCHEDULE OF COMPENSATION PAID TO SCHOOL BOARD MEMBERS YEAR ENDED JUNE 30, 2004

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Board Member	Number of Days Served	Compensation
Karen Barnes	365	\$ 9,600
Barry Bordelon	215	5,600
Gene Katsanis	365	10,300
Martin B. Marino	365	9,600
Libby Moran	365	9,600
Julie Quinn	365	9,600
Ray St. Pierre	365	9,600
Judy Colgan	365	10,100
William Boustead	153	3,768
Chris Roberts	16	443
Mark Morgan	122	3,200
Gerald Daul	199	<u>4,911</u>
TOTAL		<u>\$ 86,322</u>

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**STATISTICAL SECTION**

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

TABLE 1  
PAGE 1 OF 2

**GOVERNMENT-WIDE EXPENSES BY FUNCTION  
LAST TEN FISCAL YEARS (1)**

Fiscal Year	Regular Programs	Special Programs	Vocational Programs	Other Instr. Programs	Student Services	Instr. Staff Support	General Administration	School Administration
2002	\$ 125,461,159	\$ 94,943,142	\$ 6,018,090	\$ 4,552,075	\$ 23,601,641	\$ 5,228,678	\$ 17,061,524	\$ 20,022,188
2003	\$ 108,376,681	\$ 78,803,128	\$ 11,164,128	\$ 4,398,886	\$ 23,601,741	\$ 5,226,844	\$ 18,501,140	\$ 20,420,825
2004	\$ 129,257,222	\$ 92,807,479	\$ 11,350,759	\$ 4,188,659	\$ 27,323,178	\$ 5,798,273	\$ 20,360,294	\$ 22,051,531

**NOTE:**

(1) The provisions of GASB Statement No. 34 were adopted in fiscal year 2002, and thus information included in this schedule is available only for fiscal years since implementation.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 1  
PAGE 2 OF 2**

**GOVERNMENT-WIDE EXPENSES BY FUNCTION  
LAST TEN FISCAL YEARS (1)**

Fiscal Year	Business Services	Oper. Maint. Services	Pupil Transp. Services	Central Activity Services	Interest Expense	Other Expenses	Food Service	Total
2002	\$2,628,003	\$20,923,100	\$14,602,510	\$2,909,779	\$9,977,023	\$4,435,348	\$17,035,650	\$369,399,910
2003	\$2,421,493	\$21,913,049	\$14,000,876	\$2,868,284	\$9,653,912	\$5,424,737	\$17,760,412	\$344,536,136
2004	\$2,624,869	\$23,857,473	\$14,424,779	\$2,833,476	\$9,026,543	\$4,820,290	\$17,875,997	\$388,600,822

**NOTE:**

(1) The provisions of GASB Statement No. 34 were adopted in fiscal year 2002, and thus information included in this schedule is available only for fiscal years since implementation.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 2**

**GOVERNMENT-WIDE REVENUES  
LAST TEN FISCAL YEARS (1)**

<b>Fiscal Year</b>	<b>Charges For Services</b>	<b>Operating Grants and Contributions</b>	<b>Taxes</b>	<b>State Revenue Sharing</b>	<b>Minimum Foundation Program</b>	<b>Investment Earnings</b>	<b>Total</b>
2002	\$ 9,028,714	\$62,455,343	\$169,681,394	\$1,977,538	\$128,628,700	\$1,827,076	\$373,598,765
2003	10,390,096	70,581,482	173,247,576	2,133,847	134,409,500	1,945,935	392,708,436
2004	8,533,685	77,576,200	197,154,948	2,113,205	138,164,733	1,373,340	424,916,111

**NOTE:**

(1) The provisions of GASB Statement No. 34 were adopted in fiscal year 2002, and thus information included in this schedule is available only for fiscal years since implementation.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 3**

**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN FISCAL YEARS**

Fiscal Year	Instruction	Supporting Services	Non Instruction	Capital Projects	Debt Service	Total
1995	\$ 175,123,226	\$ 85,776,283	\$ 2,635,220	\$ 10,098,100	\$ 102,286,266 (2)	\$ 375,919,095
1996	175,752,934	88,532,760	2,730,536	11,082,715	24,126,768	302,225,713
1997	176,829,650	88,099,569	2,927,279	12,715,760	27,852,599	308,424,857
1998	190,503,938	97,218,622	3,167,512	25,262,482	27,489,077	343,641,631
1999	199,604,462	103,847,386	3,103,618	19,498,716	25,988,795	352,042,977
2000	195,210,137	102,637,693	3,862,697	19,639,243	26,126,871	347,476,641
2001	196,157,065	103,831,878	4,042,993	16,164,940	26,059,569	346,256,445
2002	212,829,709	106,733,056	4,435,348	7,643,537	26,974,502	358,616,152
2003	216,795,492	110,652,773	4,874,737	12,486,115	27,611,931	372,421,048
2004	225,439,655	116,314,650	4,201,540	18,776,670	27,691,312	392,423,827

**NOTES:**

(1) Includes General, Special Revenue, Debt Service and Capital Projects Funds.

(2) Includes approximately \$70 million of debt retired during fiscal 1995 on a refinancing which originated during fiscal 1992.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 4**

**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS**

Fiscal Year	Local Taxes (2)	Tuition From Patrons	Other Local Sources	Total Local Sources	State Sources	Federal Sources	Total Revenue
1995	\$133,151,019	\$950,656	\$50,559,213 (3)	\$184,660,888	\$135,186,399	\$18,195,985	\$338,043,272
1996	144,309,032	899,635	18,647,725	163,856,392	128,390,952	21,650,552	313,897,896
1997	141,224,287	862,330	14,975,087	157,061,704	130,292,132	20,157,384	307,511,220
1998	150,025,665	668,431	12,441,043	163,135,139	139,704,333	20,960,947	323,800,419
1999	155,743,752	760,113	10,761,654	167,265,519	140,483,130	31,453,281	339,201,930
2000	162,274,993	630,754	12,876,321	175,782,068	132,886,448	26,287,326	334,955,842
2001	165,572,625	468,807	11,409,533	177,450,965	130,552,400	28,541,150	336,544,515
2002	169,681,394	538,394	10,074,825	180,294,613	140,404,521	36,034,621	356,733,755
2003	173,247,576	882,966	11,913,387	186,043,929	146,918,941	41,967,849	374,930,719
2004	197,154,948	390,410	11,407,003	208,952,361	155,126,600	42,739,695	406,818,656

**NOTES:**

(1) Includes General, Special Revenue, Debt Service and Capital Projects Funds.

(2) Includes penalty collections and other judgments.

(3) Includes approximately \$32 million of interest income on a guaranteed investment contract.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

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<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections (1)</b>	<b>Percent of Tax Collected</b>	<b>Prior Year Delinquent Tax Collections(2)</b>
1995	\$ 16,980,867	\$ 15,876,457	93.50	\$ 515,579
1996	18,524,536	17,284,619	93.31	393,314
1997	19,089,340	17,849,204	93.50	502,384
1998	20,795,797	19,522,926	93.88	280,008
1999	21,463,437	19,935,225	92.88	218,804
2000	22,413,109	21,097,349	94.13	361,988
2001	22,579,160	21,300,482	94.34	231,491
2002	23,554,730	22,317,035	94.75	181,826
2003	27,561,570	25,803,168	93.62	376,514
2004	47,208,280	44,102,315	93.42	497,272

### NOTES:

(1) The Jefferson Parish Sheriff's Office is the collecting agent for the School System.

(2) Includes interest and penalty collections and other judgments.

(3) Includes uncollected from the current year net of adjustments.

Source: Jefferson Parish Sheriff's Office, Property Tax Reconciliation Report.

TABLE 5

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Total Cash Collections (2)	Percent of Total Collections to Tax Levy	Outstanding Delinquent Taxes (3)	Percent of Delinquent Taxes to Tax Levy
16,392,086	97	381,791	2.25
17,677,933	95	361,151	1.95
18,351,588	96	336,837	1.76
19,802,934	95	311,569	1.5
20,154,029	94	495,587	2.31
21,459,337	96	315,246	1.41
21,531,973	95	380,602	1.68
22,498,861	96	350,627	1.49
26,179,682	95	573,043	2.08
44,599,587	94	932,259	1.97

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### ASSESSED TAXABLE VALUE BY TYPE OF PROPERTY LAST TEN FISCAL YEARS (1)

Fiscal Year	Real Estate		Personal Property		Public Service Corporations	
	Assessed	%	Assessed	%	Assessed	%
1995	\$1,440,022,891	73	\$364,135,874	18	\$171,358,058	9
1996	1,564,855,075	73	438,154,011	20	154,277,510	7
1997	1,595,029,436	72	472,388,103	21	149,245,410	7
1998	1,631,708,266	72	493,452,914	22	145,438,910	6
1999	1,684,119,181	72	519,893,233	22	147,724,350	6
2000	1,921,142,597	73	541,881,164	21	150,637,040	6
2001	1,981,373,517	74	538,255,199	20	157,501,910	6
2002	2,037,485,267	74	561,606,346	20	154,998,240	6
2003	2,100,548,350	74	590,918,697	21	156,895,420	5
2004	2,442,875,574	76	612,248,156	19	155,024,900	5

NOTE:

- (1) The assessed and taxable value for the School System is determined during the School System's fiscal year and is supplied by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10% of its fair market value and other property at 15% of its market value. Taxable valuation for tax levy purposes is net of adjustments identified subsequent to certification.

Source: Jefferson Parish, Louisiana, Grand recapitulation of the assessment roll.

TABLE 6

---

<b>Total Assessed</b>	<b>%</b>	<b>Homestead Exempt</b>	<b>Taxable Value</b>
\$1,975,516,823	100	\$653,914,820	\$1,321,602,003
2,157,286,596	100	700,028,120	1,457,258,476
2,216,662,949	100	704,683,990	1,511,978,959
2,270,600,090	100	709,415,760	1,561,184,330
2,351,736,764	100	717,916,540	1,633,820,224
2,613,660,801	100	749,726,810	1,863,933,991
2,677,130,626	100	751,619,260	1,925,511,366
2,754,089,853	100	757,470,200	1,996,619,653
2,848,362,467	100	761,202,740	2,087,159,727
3,210,148,630	100	783,759,710	2,426,388,920

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 7**

**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$100 OF ASSESSED VALUE)  
LAST TEN FISCAL YEARS**

Fiscal Year	Jefferson Parish Public School System			Jefferson Parish	Parish Other	Total
	Maintenance and Operation	Debt Service	Total			
1995	0.66	0.29	0.95	1.39	0.65	2.99
1996	0.69	0.31	1.00	1.40	0.65	3.05
1997	0.62	0.27	0.89	1.26	0.66	2.81
1998	0.73	0.30	1.03	1.31	0.69	3.03
1999	0.957	0.003	0.96	1.30	0.68	2.94
2000	0.967	0.003	0.97	1.31	0.68	2.96
2001	0.889	0.001	0.89	1.35	0.70	2.94
2002	0.890	0.000	0.89	1.44	0.71	3.04
2003	1.01	0.000	1.01	1.42	0.71	3.14
2004	1.680	0.000	1.68	1.43	0.72	3.83

Source: Jefferson Parish, Louisiana December 31, 2003 CAFR.

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value (In Thousands)	Gross Bonded Debt (2)	Debt Service Monies Available (2)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value
1995	\$1,975,517	\$15,500,000	\$ -	\$15,500,000	0.78 %
1996	2,157,287	11,275,000	195,948	11,079,052	0.51 %
1997	2,216,663	6,795,000	770,402	6,024,598	0.27 %
1998	2,270,600	2,840,000	2,287,773	552,227	0.00 %
1999	2,351,737	22,050,000	138,807	21,911,193	0.93 %
2000	2,613,661	19,995,000	225,536	19,769,464	0.76 %
2001	2,677,131	17,890,000	317,009	17,572,991	0.66 %
2002	2,754,090	15,685,000	333,247	15,351,753	0.56 %
2003	2,848,362	13,370,000	417,621	12,952,379	0.45 %
2004	3,210,149	10,945,000	476,035	10,468,965	0.33 %

NOTE:

(1) Estimates based on data from Louisiana Tech University, obtained from Jefferson Parish, Louisiana December 31, 2003 CAFR.

(2) Includes only Ad Valorem Tax Bonds.

TABLE 8

---

Parish Population (1)	Net Bonded Debt Per Capita	Assessed Valuation Per Capita
457,481	34	\$4,318
458,456	24	4,706
455,741	13	4,864
453,160	1	5,011
453,165	48	5,190
454,447	44	5,751
455,466	39	5,878
453,116	34	6,078
455,927	28	6,247
456,779	23	7,028

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 9**

**COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 2004**

---

2003 total appraised valuation for school tax purposes		\$3,210,148,630
Debt limit percentage		<u>10 %</u>
Legal debt limit		321,014,863
Total bonded debt	\$10,945,000	
Less - Reserve for retirement of bonded debt	<u>476,035</u>	
Net bonded debt applicable to debt limit		<u>10,468,965</u>
Legal debt margin		<u>\$ 310,545,898</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 10**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1)  
JUNE 30, 2004**

	Net Bonded Debt	Percentage Applicable to the System	System Share of Debt
Jefferson Parish Public School System	\$ 10,468,965	100	\$ 10,468,965
Jefferson Parish	34,055,000	100	34,055,000
City of Kenner	510,000	100	510,000
WJ Levee District	<u>213,858</u>	100	<u>213,858</u>
Total direct and overlapping debt	<u>\$ 45,247,823</u>		<u>\$ 45,247,823</u>
Taxable assessed valuation			\$2,426,388,920
Ratio of direct and overlapping debt to taxable assessed valuation			1.86 %
Direct and overlapping debt per capita			\$ 99

**NOTE:**

(1) Data for taxing entities other than Jefferson Parish Public School System were supplied by the respective taxing entity.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 11**

**RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT (2)  
TO TOTAL GENERAL EXPENDITURES  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Principal (2)</b>	<b>Interest and Fiscal Charges (2)</b>	<b>Total Debt Service</b>	<b>Total General Expenditures (1)</b>	<b>Ratio of Debt Service to General Expenditures</b>
1995	\$4,425,000	\$1,050,699	\$5,475,699	\$375,919,095	1.5 %
1996	4,225,000	823,865	5,048,865	302,225,713	1.7 %
1997	4,480,000	590,480	5,070,480	308,424,857	1.6 %
1998	3,955,000	349,650	4,304,650	343,641,631	1.3 %
1999	2,790,000	129,300	2,919,300	352,042,977	0.8 %
2000	2,055,000	973,823	3,028,823	347,476,641	0.9 %
2001	2,005,000	950,523	2,955,523	346,256,445	0.9 %
2002	2,205,000	724,522	2,929,522	358,616,152	0.8 %
2003	2,315,000	616,729	2,931,729	372,421,048	0.8 %
2004	2,425,000	531,374	2,956,374	392,423,827	0.8 %

**NOTE:**

(1) Per Table 3.

(2) Includes only Ad Valorem Tax Bonds.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

TABLE 12

**DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS**

---

<b>Fiscal Year</b>	<b>Parish Population (1)</b>	<b>Average Daily Membership (2)</b>	<b>Average Daily Attendance (2)</b>	<b>Percent of Attendance</b>
1995	457,481	55,023	52,984	96.3
1996	458,456	52,008	48,960	94.1
1997	455,741	52,024	48,960	94.1
1998	453,160	52,032	49,128	94.4
1999	453,165	49,472	44,125	89.2
2000	454,447	48,974	43,681	89.2
2001	455,466	49,845	46,491	93.3
2002	453,116	50,078	46,713	93.3
2003	455,927	49,931	46,486	93.1
2004	456,779	50,526	46,903	92.8

**NOTES:**

(1) Estimates based on data from Louisiana Tech University, obtained from Jefferson Parish, Louisiana December 31, 2003 CAFR.

(2) Source: State Annual Financial and Statistical Report.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## PROPERTY VALUE AND CONSTRUCTION LAST TEN FISCAL YEARS

Fiscal Year	Assessed Property Value	Residential Construction			
		Single Family Units	Value	Multi Family Units	Value
1995	\$1,975,516,823	600	\$39,128,000	23	\$ 9,080,000
1996	2,157,286,596	556	35,644,000	348	8,719,000
1997	2,216,662,949	494	32,575,000	211	7,206,000
1998	2,270,600,090	492	30,847,000	24	887,000
1999	2,351,736,764	597	49,594,000	9	1,743,000
2000	2,613,660,801	744	102,514,000	5	3,981,000
2001	2,677,130,626	532	79,519,000	2	1,838,000
2002	2,754,089,853	578	80,427,000	1	12,883,000
2003	2,848,362,467	776	105,429,000	6	17,819,000
2004	3,210,148,630	970	131,006,000	2	1,210,000

Source: Jefferson Parish Assessor's Office, Finance Department, and Department of Inspection and Code Enforcement.

TABLE 13

---

<b>Commercial Public Buildings and Other Construction Value</b>	<b>Total Permit Valuation</b>
\$118,262,000	\$166,470,000
150,432,000	194,795,000
118,833,000	158,614,000
106,391,000	138,125,000
157,023,000	208,360,000
188,268,000	294,763,000
192,956,000	274,313,000
235,768,000	329,078,000
176,502,000	299,750,000
185,185,000	317,401,000

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 14**

**PRINCIPAL TAXPAYERS**

<b>Name of Taxpayer</b>	<b>Type of Business</b>	<b>Assessed Valuation</b>	<b>Percent of Total Assessed Valuation</b>
Entergy Services Inc.	Electric Utility	\$ 57,445,221	2.02 %
BellSouth	Telephone Utility	40,471,870	1.42
Hibernia National Bank	Financial Institution	21,625,780	.76
Banc One Management Corp.	Financial Institution	12,583,018	.44
Causeway Associates	Shopping Mall	16,700,000	.59
Atmos Energy	Utility	14,667,480	.51
Whitney National Bank	Financial Institution	11,132,976	.39
Cargill Inc.	Industry	5,826,318	.20
Regions Bank	Financial Institution	8,090,611	.28
Northrop Grumman Ship System	Shipbuilding	<u>6,707,409</u>	<u>.24</u>
		<u>\$ 195,250,683</u>	<u>6.08 %</u>

Source: Jefferson Parish Assessor's Office.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 15

## MISCELLANEOUS INFORMATION

### COMPARATIVE AVERAGE COST PER PUPIL:

Year	Total Expenditures(1)	Daily Membership	Cost Per Pupil
1995	\$ 305,844,095 (2)	55,023	\$ 5,558
1996	302,225,713	52,008	5,811
1997	308,424,857	52,024	5,929
1998	343,641,631	52,032	6,604
1999	352,042,977	49,472	7,116
2000	347,476,641	48,974	7,095
2001	346,256,445	49,845	6,947
2002	358,616,152	50,078	7,161
2003	372,421,048	49,931	7,459
2004	392,423,827	50,526	7,767

(1) Includes General, Special Revenue, Debt Service and Capital Projects.

(2) Does not include \$70,075,000 debt retired during fiscal 1995 on a refinancing which originated during fiscal 1992.

### STATISTICAL INFORMATION BASED ON AVERAGE DAILY MEMBERSHIP:

	2004	2003	2002	2001	2000
Average daily membership	50,526	49,931	50,078	49,845	48,974
State and federal funds	\$ 3,916	\$ 3,783	\$ 3,523	\$ 3,192	\$ 3,250
Local funds received	4,136	3,726	3,600	3,560	3,589
Tax levied	934	543	470	453	458
Outstanding bonds	3,126	3,079	3,878	2,995	3,317

### MISCELLANEOUS STATISTICS:

#### Schools:

Senior High Schools	10
Middle Schools	15
Elementary	55
Kindergarten	2
Special	2
Career Center	1
	<u>85</u>

#### Staff:

Total employees	7,559
Teachers	3,928

**STATE REPORTING SECTION**

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the School Board of  
Jefferson Parish, Louisiana:

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of the Jefferson Parish Public School System and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Jefferson Parish Public School System and to determine whether the specified schedules are free of obvious errors and omissions are provided by the Board of Elementary and Secondary Education (BESE) Bulletin. The School System is responsible for the performance and statistical data. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

### General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule K-1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
  - Total General Fund Instructional Expenditures,
  - Total General Fund Equipment Expenditures,
  - Total Local Taxation Revenue,
  - Total Local Earnings on Investment in Real Property,
  - Total State Revenue in Lieu of Taxes,
  - Nonpublic Textbook Revenue, and
  - Nonpublic Transportation Revenue.

### Education Levels of Public School Staff (Schedule K-2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule K-4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1, 2003.
3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule K-4) to the combined total of principals and assistant principals per this schedule.

4. We obtained a list of principals, assistant principals, and full-time teachers by classification as of October 1, 2003 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined that the individual's education level was properly classified on the schedule.

#### Number and Type of Public Schools (Schedule K-3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application).

#### Experience of Public Principals and Full-time Classroom Teachers (Schedule K-4)

6. We obtained a list of principals, assistant principals, and full-time teachers by classification as of October 1, 2003 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined that the individual's experience was properly classified on the schedule.

#### Public Staff Data (Schedule K-5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined that the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.
8. We recalculated the average salaries and full-time equivalents reported in the schedule.

#### Class Size Characteristics (Schedule K-6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule K-3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1, 2003 roll books for those classes and determined that the class was properly classified on the schedule.

#### Louisiana Educational Assessment Program (LEAP) for the 21<sup>st</sup> Century (Schedule K-7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School System.

#### The Graduation Exit Exam for the 21<sup>st</sup> Century (Schedule K-8)

11. We obtained test scores as provided by the testing authority and reconciled the scores as reported by the testing authority to the scores reported in the schedule by the School System.

#### The Iowa Test (Schedule K-9)

12. We obtained test scores as provided by the testing authority and reconciled the scores as reported by the testing authority to the scores reported in the schedule by the School System.

No exceptions were found as a result of applying the above procedures.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of Jefferson Parish Public School System, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and is not intended to be and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Rebore & Company*

October 29, 2004

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Schedule 1

**GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND  
CERTAIN LOCAL REVENUE SOURCES  
JUNE 30, 2004**

General Fund Instructional and Equipment Expenditures

General fund instructional expenditures:	
Teacher and student interaction activities:	
Classroom teacher salaries	\$ 135,868,361
Other instructional staff activities	
Employee benefits	47,268,692
Purchased professional and technical services	1,121,005
Instructional materials and supplies	5,705,049
Less: Instructional equipment	<u>(334,858)</u>
Total teacher and student interaction activities	\$ 189,628,249
Other instructional activities	
Pupil support activities	11,625,002
Less: Equipment for pupil support activities	
Net pupil support activities	<u>11,625,002</u>
Instructional Staff Services	
Less: Equipment for instructional staff services	
Net instructional staff services	<u></u>
Total general fund instructional expenditures	<u>\$ 201,253,251</u>
Total general fund equipment expenditures	<u>\$ 334,858</u>

Certain Local Revenue Sources

Local taxation revenue:	
Constitutional ad valorem taxes	\$ 5,948,807
Renewable ad valorem tax	40,667,926
Debt service ad valorem tax	
Up to 1% of collections by the Sheriff on taxes other than school taxes	2,279,429
Sales and use taxes	<u>123,469,313</u>
Total local taxation revenue	<u>\$ 172,365,475</u>
Local earnings on investment in real property:	
Earnings from 16th section property	\$ 27,818
Earnings from other real property	
Total local earnings on investment in real property	<u>\$ 27,818</u>
State revenue in lieu of taxes:	
Revenue sharing - constitutional tax	\$ 433,956
Revenue sharing - other taxes	1,679,249
Revenue sharing - excess portion	
Other revenue in lieu of taxes	
Total state revenue in lieu of taxes	<u>\$ 2,113,205</u>
Nonpublic textbook revenue	<u>\$ 882,111</u>
Nonpublic transportation revenue	<u>\$ 1,061,797</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Schedule 2

EDUCATION LEVELS OF PUBLIC SCHOOL STAFF  
AS OF OCTOBER 1, 2003

Category	Full-time Classroom Teachers				Principals and Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree			11	4				
Bachelor's Degree	2,207	68	207	84				
Master's Degree	782	24	27	12	89	61		
Master's Degree +30	223	7			51	35		
Specialist in Education	10	0.6						
Ph. D. or Ed. D.	9	0.4			5	4		
Total	3,231	100	245	100	145	100		

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Schedule 3

## NUMBER AND TYPE OF PUBLIC SCHOOL YEAR ENDED JUNE 30, 2004

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Type	Number
Elementary	57
Middle/Jr. High	17
Secondary	8
Combination	2
Total	84

Note: Schools opened or closed during the fiscal year are included in this schedule.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Schedule 4

**EXPERIENCE OF PUBLIC PRINCIPALS AND FULL-TIME CLASSROOM TEACHERS  
AS OF OCTOBER 1, 2003**

---

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals			6	6	9	7	33	61
Principals	1		2	8	5	6	62	84
Classroom Teachers	372	295	781	320	369	347	992	3476
Total	373	295	789	334	383	360	1087	3621

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Schedule 5

**PUBLIC SCHOOL STAFF DATA  
YEAR ENDED JUNE 30, 2004**

	All Classroom Teachers	Classroom Teachers Excluding ROTC And Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$37,259	\$37,109
Average Classroom Teacher's Salary Excluding Extra Compensation	\$36,851	\$36,791
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	3,476	3,452

Note: Figures reported include all sources of funding (i.e. federal, state and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Schedule 6

CLASS SIZE CHARACTERISTICS , 2003 - 2004  
AS OF OCTOBER 1, 2003

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	38	1,265	43	1,411	19	641		
Elementary Activity Classes	19	231	47	557	24	284	10	116
Middle/Jr. High	17	334	27	538	57	1,141		
Middle/Jr. High Activity Classes	10	34	8	28	18	60	63	210
High	24	490	16	325	59	1,187		
High Activity Classes	15	20	8	10	21	27	56	73
Combination	92	60	8	5				
Combination Activity Classes	90	9			10	1		

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Schedule 7

LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP) FOR THE 21ST CENTURY

District Achievement Level Results	English Language Arts						Mathematics						
	2004		2003		2002		2004		2003		2002		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 4													
Advanced	87	2	41	1	90	2	43	1	81	2	90	2	
Mastery	608	14	489	12	638	15	478	11	448	11	460	11	
Basic	1,737	40	1,795	44	1,751	41	1,607	37	1,712	42	1,771	42	
Approaching Basic	1,042	24	1,101	27	1,264	30	1,085	25	978	24	1,023	24	
Unsatisfactory	868	20	653	16	493	12	1,129	26	856	21	890	21	
Total	4,342	100	4,079	100	4,236	100	4,342	100	4,075	100	4,234	100	

District Achievement Level Results	Science						Social Studies						
	2004		2003		2002		2004		2003		2002		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 8													
Advanced	36	1	37	1	31	1	36	1	-	-	21	1	
Mastery	473	13	374	10	417	12	327	9	261	7	244	7	
Basic	1,202	33	1,197	32	1,160	32	1,528	42	1,418	38	1,510	42	
Approaching Basic	1,056	29	1,272	34	1,191	33	1,018	28	1,157	31	1,012	28	
Unsatisfactory	875	24	860	23	778	22	728	20	895	24	780	22	
Total	3,642	100	3,740	100	3,577	100	3,637	100	3,731	100	3,567	100	

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Schedule 8

THE GRADUATION EXIT EXAM FOR THE 21ST CENTURY

District Achievement Level Results	English Language Arts						Mathematics						
	2004		2003		2002		2004		2003		2002		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 10													
Advanced	27	1	35	1	22	1	140	5	114	3	94	3	3
Mastery	418	15	245	7	280	9	335	12	340	9	253	7	7
Basic	1,114	40	1,084	31	1,028	33	1,062	38	1,096	29	956	28	28
Approaching Basic	613	22	909	26	848	28	447	16	718	19	612	18	18
Unsatisfactory	613	22	1,224	35	909	29	810	29	1,512	40	1,462	44	44
Satisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	2,785	100	3,497	100	3,087	100	2,794	100	3,780	100	3,377	100	100

District Achievement Level Results	Science						Social Studies						
	2004		2003		2002		2004		2003		2002		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 11													
Advanced	51	2	53	2	66	3	26	1	26	1	29	1	1
Mastery	308	12	263	10	315	12	205	8	209	8	205	8	8
Basic	949	37	948	36	865	33	1,258	49	1,096	42	1,102	43	43
Approaching Basic	667	26	658	25	557	21	616	24	653	25	568	22	22
Unsatisfactory	591	23	711	27	800	31	463	18	626	24	687	26	26
Satisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	2,566	100	2,633	100	2,603	100	2,568	100	2,610	100	2,591	100	100

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Schedule 9

**THE IOWA TESTS**

	Composite		
	2004	2003	2002
<b>Test of Basic Skills (ITBS)</b>			
Grade 3	50	47	46
Grade 5	52	50	48
Grade 6	38	37	46
Grade 7	43	42	42
<b>Tests of Educational Development (ITED)</b>			
Grade 9	43	41	41

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.

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**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**INDEPENDENT AUDITORS' REPORTS AND INFORMATION  
REQUIRED BY THE SINGLE AUDIT ACT AND  
*GOVERNMENT AUDITING STANDARDS***

**FOR THE YEAR ENDED JUNE 30, 2004**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date \_\_\_\_\_

**TABLE OF CONTENTS**

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**INDEPENDENT AUDITORS' REPORT AND INFORMATION REQUIRED BY THE  
SINGLE AUDIT ACT AND *GOVERNMENT AUDITING STANDARDS*  
JUNE 30, 2004**

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Reports Related To The Entity:

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	1
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Reports and Information Required Under the Single Audit Act:

Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 .....	3
Schedule of Expenditures of Federal Awards .....	5
Footnotes to the Schedule of Expenditures of Federal Awards .....	11
Schedule of Findings and Questioned Costs .....	12
Summary Schedule of Prior Year Findings and Questioned Costs.....	14
Corrective Action Plan .....	15

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS***

Members of the School Board of  
Jefferson Parish, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Jefferson Parish Public School System as of and for the year ended June 30, 2004, which collectively comprise the School System's basic financial statements and have issued our report thereon dated October 29, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered School System's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School System's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item 04-1. We also noted an immaterial instance of noncompliance that we have reported to the management of the School System in a separate letter dated October 29, 2004.

This report is intended for the information and use of the School System's Finance Committee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Deloitte & Touche LLP*

October 29, 2004

*Rebowe & Company*

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS  
A PROFESSIONAL CORPORATION

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## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Members of the School Board of  
Jefferson Parish, Louisiana

### Compliance

We have audited the compliance of Jefferson Parish Public School System's with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The School System's major federal programs are identified in the summary of audit results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School System's management. Our responsibility is to express an opinion on the School System's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School System's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School System's compliance with those requirements.

In our opinion, the School System complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

### Internal Control Over Compliance

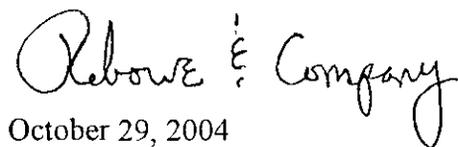
The management of the School System is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School System's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the School System as of and for the year ended June 30, 2004 and have issued our report thereon dated October 29, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information of the Jefferson Parish Public School System's Finance Committee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
October 29, 2004

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Year Ended June 30, 2004

Schedule of Expenditures of Federal Awards						
Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures		
Federal Grantor/Pass-Through Grantor/Program Title						
<u>U.S. Department of Education</u>						
Direct Programs:						
Elementary and Secondary Education						
Act ("ESEA"), Title IV, Part A						
84.184K	S184K000133	\$ 52,092	\$ 50,961	\$ 50,961		
84.184K	Q184E030482	385,707	166,994	166,994		
			217,955	217,955		
ESEA of 1965, Title IV, Part B						
84.287B	S287B010562	808,500	764,598	764,598		
			764,598	764,598		
ESEA of 1965, Title VII						
84.288S	T288S010337-02	135,000	11,917	11,917		
84.288S	T288S000204-03	148,229	143,335	143,335		
84.288S	T288S000204-01	145,655	3,094	3,094		
			158,346	158,346		
ESEA of 1965, Title IX, Part C (P.L. 103-382)						
84.060	S060A020968	51,821	1,103	1,103		
84.060	5060A030968	57,376	49,069	49,069		
			50,172	50,172		
			1,191,071	1,191,071		
Total Direct Programs						
<u>U.S. Department of Education</u>						
Passed-Through State Department of Education:						
ESEA of 1965, Title I, Part A						
84.010A	03-T1-26	13,694,778	949,541	949,541		
84.010A	04-T1-26	17,284,026	12,942,313	12,942,313		
84.010A	03-T1-26 c/o	642,041	642,041	642,041		
			14,533,895	14,533,895		
ESEA of 1965, Title I, Part B						
84.213C	03-F1-26	519,000	105,784	105,784		
84.213C	04-F1-26	724,978	619,715	619,715		
84.313C	03-F1-26-C	24,612	24,612	24,612		
			750,111	750,111		
84.357A	S357A020019A	1,255,186	19,806	19,806		
			19,806	19,806		

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Year Ended June 30, 2004

Schedule of Expenditures of Federal Awards					
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/Expenditures
U.S. Department of Education - Continued					
Passed-Through State Department of Education - Continued:					
ESEA of 1965, Title I, Part C					
Migrant Education Recruiter 02-03	84.011A	03-MI-26-C	\$ 25,219	\$ 5,058	\$ 5,058
Migrant Education Recruiter 02-03	84.011A	03-MI-26	183,560	29,761	29,761
Migrant Education Recruiter 03-04	84.011A	4-MI-26	150,099	127,748	127,748
Migrant Education 01-02 c/o	84.011A	02-MI-26-C	11,454	8,495	8,495
				<u>171,062</u>	<u>171,062</u>
ESEA of 1965, Title I, Part E					
Comprehensive School Reform Program 03-04 Cohort #2	84.332A	03-T4-26-C	56,482	54,288	54,288
Comprehensive School Reform Program 02-03 Cohort #3	84.332A	02-T6-26-C	256,415	11,098	11,098
Comprehensive School Reform Program 03-04 Cohort #3	84.332A	03-T6-26-C	282,410	234,491	234,491
				<u>299,877</u>	<u>299,877</u>
Carl D. Perkins Vocational & Technology Education Act of 1998, Title I					
Basic Grant	84.048	0202-26	895,960	895,233	895,233
Basic Grant 02-03 c/o	84.048	280302-26C	19,984	19,214	19,214
				<u>914,447</u>	<u>914,447</u>
FIE Earmark Grant Awards 03-04					
ESEA of 1965, Title II, Part A (P.L. 107-110)	84.215	U215K030159	54,643	52,598	52,598
Improving Teacher Quality 02-03	84.367	03-50-26	4,443,772	116,355	116,355
Improving Teacher Quality 03-04	84.367	04-50-26	4,693,636	3,598,687	3,598,687
Improving Teacher Quality c/o 02-03	84.367	03-50-26 c/o	440,054	440,055	440,055
				<u>4,155,097</u>	<u>4,155,097</u>
ESEA of 1965, Title II, Part C (P.L. 105-277)					
Reading Excellence 01-02	84.338A	00-RI-26-C	206,001	-	6,640
				<u>-</u>	<u>6,640</u>
ESEA of 1965, Title II, Part D					
Enhancing Education Through Technology 03-04	84.318	280-446-26	150,000	1,296	1,296
Enhancing Education Through Technology 03-04	84.318	280-446-27	464,109	216,022	216,022
Enhancing Education Through Technology 02-03	84.318	0349-26	341,733	246,360	230,656
Enhancing Education Through Technology 02-03 c/o	84.318	0349-26 c/o	2,859	2,687	2,687
				<u>466,365</u>	<u>450,661</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Year Ended June 30, 2004

Schedule of Expenditures of Federal Awards						
Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures		
U.S. Department of Education - Continued						
Passed-Through State Department of Education - Continued:						
ESEA, Title III, Part A						
84.365	03-60-26	\$ 283,000	\$ 9,920	\$ 9,920		
84.365	2804-60-26	482,118	325,705	325,705		
84.365	03-60-26 c/o	133,228	133,228	133,228		
84.365	03-S3-26	25,156	10,950	10,950		
84.365	01-S3-26	41,893	17,845	17,845		
84.365	2803-S3-26 c/o	5,125	5,125	5,125		
			<u>502,773</u>	<u>502,773</u>		
ESEA, Title IV, Part A						
84.186A	03-70-26	465,637	36,247	36,247		
84.186A	04-70-26	476,206	391,964	391,964		
84.186A	03-70-26C	215,609	198,537	198,537		
84.186A	02-79-26 c/o	464,501	42,768	42,768		
			<u>669,516</u>	<u>669,516</u>		
Elementary and Secondary Education						
Act of 1965 - Title VI						
84.298A	03-80-26	473,946	17,418	17,418		
84.298A	04-80-26	473,808	250,928	250,928		
84.298A	03-80-26 c/o	117,774	82,642	82,642		
			<u>350,988</u>	<u>350,988</u>		
ESEA of 1965, Title VII						
84.162A	28-02-X2-26 c/o	33,774	20,726	20,726		
ESEA of 1965, Title VII, Subtitle B						
84.196A	03-HI-26	70,000	24,815	24,815		
84.196A	04-HI-26	95,000	52,602	52,602		
			<u>77,417</u>	<u>77,417</u>		

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
Year Ended June 30, 2004

Schedule of Expenditures of Federal Awards					
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/Expenditures
<u>U.S. Department of Education - Continued</u>					
Passed-Through State Department of Education - Continued:					
Individual With Disabilities Education Act of 1990 - Part B (P.L.101-476)					
IDEA- B Set Aside 02-03	84.027A	02-B2-26-C	\$ 60,000	\$ -	\$ 500
IDEA-B Flow Through 02-03 c/o	84.027A	03-B1-266	1,179,713	1,179,173	1,179,173
IDEA-B Flow Through 01-02	84.027A	28-02-B1-26	6,914,382	-	8,973
IDEA-B Flow Through 02-03	84.027A	03-B1-26	8,691,840	1,649,837	1,669,614
IDEA-B Flow Through 03-04	84.027A	28-04-B1-26	10,037,100	6,082,861	6,082,861
				<u>8,911,871</u>	<u>8,941,121</u>
Preschool Set Aside 02-03	84.173A	03-P2-26	40,880	18,265	18,265
Preschool Set Aside 01-02	84.173A	02-P2-26	30,000	14,096	14,096
IDEA-B Preschool 02-03	84.173A	03-P1-26	296,325	110,552	110,552
IDEA-B Preschool 03-04	84.173A	04-P1-26	296,325	217,335	217,335
IDEA-B Preschool 02-03 c/o	84.173A	03-P1-26C	57,089	52,539	52,539
				<u>412,787</u>	<u>412,787</u>
Individual With Disabilities Education Act of 1990 - Part C					
Special Education for Infants & Families with disabilities	84.181A	03-C5-26	41,747	-	2,876
					<u>2,876</u>
Individual With Disabilities Education Act of 1990 - Part D					
LASIG	84.323A	28-02-SP-26	80,000	48,796	48,976
RFA's - Over Identification of Minority Students	84.323A	02-R1-26	14,937	10,843	10,483
				<u>59,639</u>	<u>59,459</u>
Adult Education Act of 1966					
Adult Education Program	84.002	-	-	502,891	502,891
Total Passed-Through State Department of Education					
				<u>32,871,866</u>	<u>32,894,748</u>
TOTAL U.S. DEPARTMENT OF EDUCATION					
				<u>\$ 34,062,937</u>	<u>\$ 34,085,819</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
 Year Ended June 30, 2004

Schedule of Expenditures of Federal Awards					
Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures	
<b>U.S. Department of Health and Human Services</b>					
<b>Passed-Through State Department of Health and Hospitals:</b>					
Title XIX - Early and Periodic Screening, Diagnosis, Treatment School Nurse Program					
93.778	-	\$ 400,000	\$ 407,351	\$ 306,246	
93.778	-	-	560,749	195,412	
			968,100	501,658	
<b>Medical Assistance Program (Medicaid)</b>					
<b>Passed-Through a State Department of Health and Human Services:</b>					
Temporary Assistance for Needy Families (TANF) (P.L. 104-193)					
93.558	28-03-MS-26	52,174	12,266	7,823	
93.558	0336-26	414,521	27,686	27,686	
93.558	0236-26	n/a	3,956	33,992	
93.558	280436-26	67,446	67,446	67,446	
93.558	03-35-26	6,728,125	5,506,473	6,301,326	
93.558	280327-26	108,000	42,086	40,336	
93.558	280427-26	4,900	2,893	2,893	
			5,662,806	6,481,502	
<b>Child Care Development Block Grant Act 1990</b>					
93.575	04-38-26	304,648	264,817	263,169	
93.575	0338-26	299,982	-	3,229	
			264,817	266,398	
<b>Passed-Through State Department of Social Services:</b>					
Child Care Assistance					
	49492400	-	241,368	241,368	
<b>Refugee Act of 1980 (P.L. 96-212)</b>					
93.576	03-X3-26	60,000	2,357	2,357	
93.576	04-X3-26	48,840	54,523	54,523	
			56,880	56,880	
			\$ 7,193,971	\$ 7,547,806	

TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
Year Ended June 30, 2004

Federal Grantor/Pass-Through Grantor/Program Title	Schedule of Expenditures of Federal Awards				Disbursements/Expenditures
	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	
<u>U.S. Department of Agriculture</u>					
Passed-Through State Department of Education:					
Food Distribution (Commodities) School Breakfast Program	10.550 (1)	-	\$ -	\$ 1,047,792 (2)	\$ 1,196,598 (3)
Free and Reduced Price Meals	10.553 (1)	-	-	3,097,901 (4)	3,097,901 (4)
National School Lunch Program	10.555 (1)	-	-	10,955,054 (4)	10,955,054 (4)
Free and Reduced Price Meals	10.559 (1)	-	-	256,644 (4)	256,644 (4)
Summer Food Service Program for Children					
TOTAL U.S. DEPARTMENT OF AGRICULTURE			\$ 15,357,391	\$ 15,506,197	
<u>Other Programs</u>					
Passed-Through Maxwell Air Force Base:					
Reserve Officer Training Corp. (ROTC)	-	271.653	-	501,035	501,035
Passed-Through Jefferson Parish Sheriff's Office:					
Local Law Enforcement 02-03	16.592	02-LEBC-410	63,070	38,132	38,132
Local Law Enforcement 03-04	16.592	03-LEBC-510	43,500	20,437	20,437
Local Law Enforcement 03-04	16.548	W02-7-001	53,951	31,817	31,817
TOTAL OTHER PROGRAMS			90,386	90,386	
TOTAL FEDERAL ASSISTANCE			591,421	591,421	
			\$ 57,205,720	\$ 57,731,243	

- (1) Represents a major program.
- (2) This amount represents the value of Commodities received by the School System during the year ended June 30, 2004.
- (3) This amount represents the value of Commodities used by the School System during the year ended June 30, 2004.
- (4) These amounts represent the cash subsidy received by the School System during the year ended June 30, 2004.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
**FOOTNOTES TO THE SCHEDULE OF EXPENDITURES**  
**OF FEDERAL AWARDS**  
**Year Ended June 30, 2004**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basic of Presentation

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School System has met the qualifications for the respective grants. Several programs are funded jointly by State of Louisiana appropriations and federal funds. Cost incurred in programs partially funded by federal grants are applicable against federal grant funds to the extent of revenue available when they properly apply to the grant. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts are presented in, or used in the preparation of, the basic financial statements.

Accrued and Deferred Reimbursement

Various reimbursement procedures are used for federal awards received by the School System. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year-end represented an excess of reimbursable expenditures over cash reimbursements received. Generally, accrued balances caused by differences in the timing of cash reimbursements and expenditures will be reversed in the remaining grant period.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2004**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unqualified opinion on the financial statements of the Jefferson Parish Public School System.
2. No reportable conditions in internal control relating to the audit of the financial statements of the Jefferson Parish Public School System are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. One instance of noncompliance material to the financial statements of Jefferson Parish Public School System is reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the *Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditors' report on compliance for the major federal award programs for Jefferson Parish Public School System expresses an unqualified opinion.
6. There were no findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. A management letter was issued for the year ended June 30, 2004.
8. The programs tested as major programs were:

	<u>CFDA No.</u>
National School Lunch Program	10.555
National School Breakfast Program	10.553
Summer Food Service Program for Children	10.559
Food Distribution	10.550
Title I	84.010A
9. The threshold for distinguishing between type A and type B programs was \$1,731,937.
10. Jefferson Parish Public School System was determined to be a low-risk auditee.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended June 30, 2004**

**B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

04-1. Under Collateralized Cash

Finding:

Louisiana Revised Statute 39:1225 requires that the amount of security shall at all times be equal to one hundred percent of the amount of collected funds on deposit to the credit of each depositing authority except that portion of the deposit insured by any governmental agency insuring bank deposits which is organized under the laws of the United States. The School System had approximately \$1,045,000 of deposits for the school activity accounts that were not collateralized as of June 30, 2004.

Questioned Cost:

None.

Response:

*See Management's Corrective Action Plan.*

**C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS**

There were no findings related to federal awards for the year ended June 30, 2004.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2004**

**SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

03-1 Under collateralized cash                      Unresolved, see current year finding 04-1.

**SECTION II - FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL  
AWARD PROGRAMS**

None.

**SECTION III - MANAGEMENT LETTER**

Budgeting - Special Revenue Funds	Unresolved, see current year comment
Sabbatical Leave Policies	Resolved
GASB No. 39 Implementation	Resolved
Self - Insurance Accrual	Partially resolved
Payroll Roster	Resolved

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM  
CORRECTIVE ACTION PLAN  
Year Ended June 30, 2004**

04-1. Under Collateralized Cash

Finding:

The School System had approximately \$1,045,000 of deposits for the school activity accounts that were not collateralized as of June 30, 2004.

Corrective Action:

The School System plans to limit the banking institutions of the school activity accounts, in order to better manage the accounts and ensure all deposits are fully collateralized. (Mrs. Raylyn Stevens, CFO, 504 -349-7627)

**Deloitte & Touche LLP**

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05 JAN 18 PM 1:41

October 29, 2004

Jefferson Parish School Board  
4600 River Road  
Marrero, Louisiana 70072

Dear Members of the Board:

*In planning and performing our audit of the basic financial statements of the Jefferson Parish Public School System (School System) for the year ended June 30, 2004 (on which we have issued our report dated October 29, 2004), we developed the following recommendations concerning certain matters related to the School System's internal control and certain observations and recommendations on other accounting, administrative and operating matters. A description of the responsibility of management for establishing and maintaining internal control, and of the objectives of and inherent limitations of internal control, is set forth in the attached Appendix, and should be read in conjunction with this letter. Our comments are presented in Exhibit I and are listed in the table of contents thereto. See also "Status of Prior Year's Recommendations" on page 9.*

This report is intended solely for the information and use of the School Board, management, the State of Louisiana Legislative Auditor, and officials of applicable Federal and State agencies and is not intended to be and should not be used by anyone other than these specified parties.

Yours truly,

*Deloitte & Touche LLP*

*Rebowe & Company*

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE OF CONTENTS**

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	<b>Page</b>
<b><u>ACCOUNTING, ADMINISTRATIVE AND OPERATING MATTERS</u></b>	
Budgeting	1
GASB No. 45 Implementation	2
Capital Projects	3
Information Security Policies, Procedures and Configurations	4
General Computer Controls - Segregation of Duties	5
Program and Infrastructure Change Control	6
Environmental Controls/Physical Security	7
Business Continuity/Disaster Recovery Plans	8
<b>STATUS OF PRIOR YEAR'S RECOMMENDATIONS</b>	<b>9</b>

## ACCOUNTING, ADMINISTRATIVE AND OPERATING MATTERS

### **BUDGETING**

#### Observation – Special Revenue Funds

We noted that for two Special Revenue Funds (Title I and Community Education), there were unfavorable variances of greater than five percent between actual revenues as compared to budgeted revenues. In particular, revenues for the Title I Fund and the Community Education Fund came under budget by \$1,670,315 or 9.3% and \$551,891 or 14.8%, respectively. Communication in writing of these under-budget variances to the Board was not performed as required by State Law.

#### Background

The Louisiana Revised Statutes 39:1310 *Budgetary Authority and Control*, requires that when there has been a change in operations upon which the original adopted budget was developed, the governing authority shall adopt a budget amendment in a open meeting to reflect such change. The adopted budget and any duly authorized adopted amendments shall form the framework from which to monitor revenues and control expenditures. Therefore, there must be an amended budget when projected revenue and other sources for the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more. Likewise, when projected expenditures and other uses for the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more, the budget must be amended accordingly.

Louisiana Revised Statute 39:1311(B) exempts special revenue funds which are expenditure-driven from the requirement to adopt amended budgets if projected revenues or expenses deviate more than 5% from the adopted budget; however, such funds are not exempt from the requirement to communicate in writing these deviations to the Board.

#### Recommendation

The School System's management should institute procedures to closely monitor the financial performance of each fund and ensure that budget overruns are properly communicated to the Board.

#### Management's Response

We will prepare a memo to be distributed to the Board Members in the event projected revenues or expenses deviate more than 5% of the adopted budget. (Isaac Joseph, Title I Director (504) 349-7901)

## **GASB NO. 45 IMPLEMENTATION**

### Observation

In June 2004, the Governmental Auditing Standards Board (GASB) issued Statement No. 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions. This Statement generally requires state and local governmental employers to account and report the annual cost of other post employment benefits (OPEB) based on actuarially determined amounts.

Financial statements generally do not report the financial statement effects of OPEB until the promised benefits are paid. As a result, this Statement improves financial reporting by requiring accrual-basis measurement and recognition of OPEB cost (expense) over a period of time that approximates the employees' years of service and provides information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan.

Based on an actuarial valuation, any net OPEB obligations, including amounts associated with under- or overcontributions from governmental funds, should be reported as liabilities in the government-wide financial statements. Similarly, net OPEB obligations associated with proprietary or fiduciary funds from which contributions are made should be displayed as liabilities in the financial statements of those funds.

In addition to recording liabilities in the financial statements, there are also disclosure requirements regarding the plans in which the employer participates, funding policies, the actuarial valuation process, and the extent to which the plan has been funded.

The School System will be required to comply with this new accounting standard for its fiscal year ending June 30, 2008.

### Recommendation

The School System should become familiar with this new Statement so that it can implement it by its effective date.

### Management's Response

Management will become familiar with the requirements of this Standard in order to be in compliance with generally accepted accounting principles by the effective date of the Standard.

## **CAPITAL PROJECTS**

### Observation

Construction projects in progress are being prematurely recorded in capital assets before their completion. As a result, the School System is depreciating these uncompleted construction projects before they have been placed in service.

### Recommendation

A separate schedule should be maintained to account for construction projects. Upon final completion of a project, the total expenditures should be recorded as an addition to capital assets.

### Management's Response

The School System will make the necessary changes to the construction projects in progress recordkeeping as to not prematurely record capital assets before their completion. (Mrs. Raylyn Stevens, CFO (504) 349-7627)

## **INFORMATION SECURITY POLICIES, PROCEDURES AND CONFIGURATIONS**

### Observation

*Formal information security policies or procedures have not been developed. Mainframe passwords are written down by support personnel and policies are not automatically managed by the mainframe to provide for periodic expiration, password complexity and re-use restrictions.*

### Background

Unwritten security policies and procedures increase the likelihood that security parameters and administrative procedures will be inconsistently applied creating an infrastructure more susceptible to inappropriate access. In addition, if passwords are not unique to a specific user, it eliminates the accountability for the actions taken by those user accounts.

### Recommendation

Management should formally document comprehensive information security policies and procedures that address all technologies (e.g. mainframe, Novell), data access points (e.g. application, mainframe, remote), administrative processes (e.g. user setup) and security configurations (e.g. password policies, access lists). Policies and procedures should then be reviewed periodically to ensure their applicability as the environment and risks change. In addition, passwords should never be written down for support purposes; rather they should be changed if users forget them.

### Management Response

The School System will establish formal written security policies and procedures as suggested in order to ensure that security parameters and administrative policies are followed. These procedures will specifically prohibit support personnel from writing down passwords of other individuals in order to reduce possible problems that may be encountered through their inappropriate usage. This should be completed within the current fiscal year. (Mrs. Raylyn Stevens, CFO (504) 349-7627)

## GENERAL COMPUTER CONTROLS - SEGREGATION OF DUTIES

### Observation

Routine information technology ("IT") responsibilities, which include security administration, production support, application development and database support, are not appropriately segregated within the information technology department.

### Background

Not appropriately segregating IT responsibilities increases the susceptibility of the School System to unauthorized changes to programs, data or security configurations. Such changes could directly impact management's ability to rely on the computer system's processing and reporting of financial data.

### Recommendation

Management should review current responsibilities and consider either segregating critical areas or implementing adequate detective controls that could work to mitigate the risks of unauthorized changes to programs or data.

### Management Response

While the School System feels that proper segregation is vital to maintaining the integrity of the control systems, the size of the Information Technology Department does not allow for optimal segregation of these duties. However, while optimal segregation may be limited by the current staffing level of the Department, the School System will reevaluate the current division of responsibilities and segregation of duties to determine if the control structure can be enhanced by redistributing personnel responsibilities. This should be completed within the current fiscal year. (Mrs. Raylyn Stevens, CFO (504) 349-7627)

## **PROGRAM AND INFRASTRUCTURE CHANGE CONTROL**

### Observation

Formal change management policies or procedures have not been developed within the information technology department. As a result, test plans, test results and business approvals, which are necessary to verify changes to programs and supporting infrastructure are functioning as intended, are not formally documented. In addition, changes are not consistently evaluated within independent environments prior to making changes to the production systems.

### Background

Program and infrastructure changes that are not subjected to proper testing, review and approvals prior to production deployment increases the risk that improper or unintended changes will be introduced into the School System's environment, which could adversely impact normal business activities or underlying financial data.

### Recommendation

Management should review and document its policies and procedures for program and infrastructure change control to verify their adequacy in providing that all changes are properly authorized and function consistent with management's intentions. Procedures should include control points such as the development and execution of test plans, collection of necessary approvals and appropriate deployment of changes into the School System's production environment in a manner that would not disrupt daily business operations.

### Management Response

In connection with the review and establishment of formal written policies noted in the previous comment, the School System will include in such policies, procedures for processing and implementing changes to programs and the supporting infrastructure. This should be completed within the current fiscal year. (Mrs. Raylyn Stevens, CFO (504) 349-7627)

## ENVIRONMENTAL CONTROLS/PHYSICAL SECURITY

### Observation

Environmental and physical security controls over certain computer systems could be enhanced. Locations where the School System's infrastructure components reside do not all include common environmental controls such as 24 hour temperature control, fire suppression systems, humidity controls, water detection systems with a raised floor infrastructure and common physical security controls such as locked doors, key-card access, and visitor logs. It was noted all areas include a subset of the above-mentioned environmental and physical controls, but none are completely adequate.

### Background

Limiting physical access to the server rooms decreases the risk of server downtime caused by accidental (or otherwise) contact with the servers or communication media. Also, implementing proper environmental controls helps to ensure the proper functionality of hardware, which may be affected by heat and moisture.

### Recommendation

Management should continue its efforts to ensure all servers involved in the processing of key financial data are properly subjected to physical and environmental controls.

### Management Response

The recommendation has been noted and the School System will continue current efforts to secure the physical security of the servers. In addition, the School System is currently in a RFP process to upgrade the servers of the System. Recommendations for proper environmental security of the servers and other technology enhancements will be included within the proposal. This should be completed within the current fiscal year. (Mrs. Raylyn Stevens, CFO (504) 349-7627)

## **BUSINESS CONTINUITY/DISASTER RECOVERY PLANS**

### Observation

A comprehensive and written business continuity and disaster recovery plans and/or hot site have not been developed for the School System's operations and supporting computer infrastructure. In addition, all infrastructure components are not included within a formal backup strategy and saved to removable media that is stored offsite.

### Background

In the event of a disaster or other disruption to normal operations, the likelihood of prolonged impact to normal operations is increased without written and tested business continuity plans. In addition, the lack of a disaster recovery plan could also limit the School System's ability to resume normal operations for those processes dependent on systems and/or saved data.

### Recommendation

Management should develop a comprehensive data backup strategy and rotate all critical data offsite. In addition, management should consider developing a comprehensive Business Continuity and Disaster Recovery Plan, which would cover all critical business processes. This plan should include:

- Declaration procedures and respective roles and responsibilities,
- The identification of key manual and automated business processes required to continue when a disaster is declared,
- Escalation procedures,
- The specific arrangements to recover those key processes identified, including personnel, facilities, telecommunications, supplies, and equipment,
- A process to identify changes within the organization and to make updates to help ensure the plan remains current, and
- *Periodic testing, where feasible and cost effective, to help ensure the plan is operational.*

### Management Response

The School System is currently in a RFP process to upgrade servers used in the network. Guidelines within the proposal's request will specifically address those recommendations noted here. This should be completed within the current fiscal year. (Mrs. Raylyn Stevens, CFO (504) 349-7627)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## STATUS OF PRIOR YEAR'S RECOMMENDATIONS YEAR ENDED JUNE 30, 2004

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Budgeting	Partially repeated in the current year's recommendations.
Sabbatical Leave Policies	Improvements noted. There are no current year recommendations.
GASB No. 39 Implementation	Improvements noted. There are no current year recommendations.
Self-Insurance Accrual	Improvements noted. There are no current year recommendations.
Payroll Roster	Improvements noted. There are no current year recommendations.

## **APPENDIX**

### **MANAGEMENT'S RESPONSIBILITY FOR, AND THE OBJECTIVES AND LIMITATIONS OF, INTERNAL CONTROL**

The following comments concerning management's responsibility for internal control and the objectives and inherent limitations of internal control are adapted from the Statements on Auditing Standards of the American Institute of Certified Public Accountants.

#### Management's Responsibility

Management is responsible for establishing and maintaining internal control. In fulfilling this responsibility, *estimates and judgments by management are required to assess the expected benefits and related costs of controls.*

#### Objectives

The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

#### Limitations

Because of inherent limitations in any internal control, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.